

Economic Advisory Council
of Montgomery County

Report of the Growth Assessment Task Force

March, 1990

Growth Assessment Task Force
Report and Recommendations for Action

March 30, 1990



Montgomery County
Economic Advisory Council



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MARYLAND

March 30, 1990

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The Honorable Sidney Kramer
County Executive
Montgomery County, Maryland

President and Members
Montgomery County Council
Montgomery County, Maryland

Dear County Executive and Council Members:

The Growth Assessment Task Force of the Montgomery County Economic Advisory Council herewith respectfully transmits its Report and Recommendations for Action.

Over the past nine months, the members of the Task Force have reviewed data developed and provided by County officials and discussed in depth a range of issues relating to growth in Montgomery County. Our Report reflects the combined judgment of the Task Force and recommends certain specific actions on the part of the Executive and the County Council.

The Task Force has found the growth assessment project a challenging and significant one for the County's future well-being. We appreciate the support and cooperation we have received from County Government departments and officials, and we look forward to working with the Executive and County Council in developing a realistic program to further the recommendations set forth in this Report.

Sincerely,

John F. Dealy
Chairman
Growth Assessment Task Force
Economic Advisory Council
Montgomery County, Maryland

JFD:svr

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EXECUTIVE SUMMARY

AND RECOMMENDATIONS FOR ACTION

GROWTH ASSESSMENT TASK FORCE ECONOMIC ADVISORY COUNCIL MONTGOMERY COUNTY, MARYLAND

In April 1989, the County Executive and the Montgomery County Council requested the Economic Advisory Council to establish a Task Force to examine the issue of growth in Montgomery County and to develop an approach for determining the appropriate balance and realistically assessing the impact of growth on the region's economy and quality of life. This request resulted in part from questions raised by the County Council concerning the relative costs and benefits of economic and residential development in the County.

The Task Force has met on numerous occasions during the past nine months and has reviewed various other studies prepared over the last year on Montgomery County's future and on its budget needs, as well as reports relating to the impact of economic growth in general across the nation. The Task Force also met regularly with County Government officials, reviewed data presented by them and requested them to develop additional data in the course of its deliberations. The salient data are summarized in the body and attachments to this report.

From the above data and the numerous deliberations of the Task Force, some overriding conclusions can be drawn, which are set forth in this Executive Summary and developed further in the body of the report. Also included is a specific set of Recommendations for Action by the County Executive and County Council to further the serious task of assessing properly the relationship between economic growth and overall County health.

BACKGROUND: SITUATION ASSESSMENT MONTGOMERY COUNTY - 1978 to 1988

Approximately ten years ago, the predecessor to the Economic Advisory Council identified a series of fiscal and societal issues it considered critical to the County's economic health and quality of life during the 1980s, and published a report entitled "Initiatives for Economic Progress." As a starting point, the Task Force reviewed that 1978 Report of the Economic Development Advisory Board and, with the assistance of County Government officials, updated its findings against the facts of the 1980s as they evolved in Montgomery County. This foundation was then used to assess the situation in the County today and to look forward into the 1990s.

In the late 1970s, Montgomery County envisioned a fiscal crisis coming in the early 1980s. Economic growth appeared to be slowing, societal needs were increasing, and the County's task in raising sufficient funds to meet the service requirements of its constituents without an undue burden on the residential homeowner appeared difficult if not impossible.

In fact, due to a combination of governmental actions and societal conditions, that crisis did not occur. Economic and residential growth continued strong, the residential share of real property assessable base declined and government balanced its provision of services against available funding.

Today, as we enter the 1990s, the various studies reviewed by the Task Force indicate the economy may be slowing once again. The demand for services--due to deferred infrastructure investments, changing lifestyles and increasing societal needs--is increasing significantly and there is renewed concern about the ability of the County to finance those services without an undue tax burden upon its constituents.

In addition, a major impact over the last ten years which was largely unforeseen in 1978 has been the significant reduction of federal government support for local government services and the need for much higher state and local funding of programs.

With this background, the Task Force sought to make a situation assessment of Montgomery County at the present time. We found a County that is and has been very healthy economically both from the standpoint of jobs created and from the standpoint of relative tax burden on its constituents. On the other hand, the County is perceived to have failed to make timely investments in transportation, certain aspects of education and various societal services during the 1980s. We also found a maturing County beginning to be faced with problems of an aging infrastructure, and the need for increasing maintenance and replacement. Finally, we concluded the County is ever more an integral part of a metropolitan area, and is impacted by national policies and international economic trends, thus making planning and implementation of infrastructure programs in isolation increasingly more difficult and unrealistic.

At the same time, the County is facing increasing uncertainty concerning the future economic prospects of its work force due to the considerable impact of federal government employment on the County and current shifts in priorities involving federal expenditures--away from defense and perhaps more toward environmental and other non-defense-related areas. This uncertainty is heightened by the continuing high level of federal deficits and an inability to predict how the government will address deficits during the next decade.

CONCLUSIONS

1. Need to Separate Effects of Changing Lifestyles and Societal Demands of Incumbent Population from Impacts of Economic Development When Discussing Growth

There is a need to recognize that growth affecting the County includes both economic and residential growth. In its specific task of assessing the positive and negative impacts of economic and residential growth, the Task Force found a dearth of relevant data that would support coherent analysis. While the County collects numerous statistics, these are not specifically oriented toward isolating the impacts of economic growth from the pervasive effects of changing lifestyles and societal needs of the County's incumbent population as well as the incidental impacts of those individuals transiting the County on a daily or sporadic basis as well as those people who live elsewhere but work in the County. Critical to any reasoned approach in this area will be the development of an information and analysis system that isolates these disparate elements as much as possible. Developing such a system and then seeking to quantify the significant costs and benefits directly and indirectly associated with growth is a research task of considerable technical complexity and magnitude - a task greatly exceeding the resources and capabilities of the Task Force. Nevertheless, it is a critical foundation for reasoned decision making on this subject and should be promptly addressed by the Executive and County Council.

2. Need for and Suggested "Vision" of the County in the 1990s

In order to do any reasonable planning for the future growth of the County and for the revenue requirements to service its constituents, the County Executive and County Council must have some joint "vision" of the County in the 1990s--what is the standard against which growth and revenue requirements are to be measured? Without such a vision, the County is collecting data, incurring costs and providing services in an ad hoc fashion to meet the evolving demands of its populace. The Task Force suggests the following areas to be addressed in developing a basic vision for the 1990s, recognizing that this is really a joint County Executive/County Council task essential to effective decision making for the future:

- At a minimum, the County should be prepared to provide infrastructure and services for the evolutionary growth of its citizens living in the County and starting their households here.

- . The County is part of a larger metropolitan area projected to continue to grow substantially during the next decade. The County should plan to provide adequate transportation facilities for the impact on the County of this metropolitan area growth. It will occur independent of the County's decision on growth policies.
- . The County should plan to accommodate business and economic development to the extent needed to provide a reasonable level of quality employment opportunities for County citizens. This could include a goal either of maintaining the 60 percent of employed residents who work here today or some other standard selected by the County, as well as encouraging selected industries that are a particular match to the skills of the County residents.
- . The County should plan to provide a superior level of service to its constituents--in education, public safety, health care and recreation/environmental protection, with particular attention to the needs of an aging population. The County should recognize and plan to meet the fiscal impact--in police, courts, schools, health services, crime--of the drug problem.
- . The County should establish a target for the business/residential split of tax burdens it considers desirable for its populace.

3. Need to Plan and Act on a Regional Basis

As a basic concept, the County must be viewed as an integral part of the Washington metropolitan area. Its problems and opportunities cannot be treated in isolation. This metropolitan area is projected to continue to grow--in jobs and in population; in fact, it is projected to grow at rates exceeding those of the past ten years. Montgomery County must develop an approach to participate effectively in the planning and decision making for this metropolitan area. Nowhere is this need to act on a regional basis more obvious than in the transportation field. Whatever Montgomery County's internal growth plan is, its roads and public transit facilities must be able to handle the regional traffic passing through its environs. The Task Force concludes that the County should not only participate aggressively in regional governance activities but should strive for a leadership position.

4. **Need to Lead: Invest in Infrastructure to Achieve Vision, Not Merely React to Societal Pressures**

As described in the need for a vision and the need to plan and act on a regional basis, the fundamental thrust of the conclusions of the Task Force is that the County Council and County Executive should assume a leadership position in developing accurate data, assessing future needs and identifying sources of revenue to pay for the servicing of such needs. Leadership always entails risk and controversy, but the failure to lead dooms one merely to react to societal pressures. Infrastructure improvements are then not made when needed but after crisis conditions have resulted. Our conclusion is that the County Council and Executive should advocate investment in infrastructure to achieve the County Government's mutually developed vision and should work to educate the populace as to the costs and benefits to be derived from such investment. We recognize this may be politically difficult, but we believe a County with the educated population and affluence of Montgomery County should be known for its ability to face the future realistically and make investment decisions in a timely manner.

RECOMMENDATIONS FOR ACTION

1. Montgomery County is not an "island." It is an integral part of a rapidly changing and vibrant metroplex: Baltimore-Montgomery-Washington, D.C.-Northern Virginia. The County boundary is political, not economic, social or industrial. County planning and decision making must accept this reality and build on it. Transportation, drugs, crime, even economic development are regional, not purely local issues. Education and social services, such as, care of aging, homeless, and disabled, on the other hand, can be addressed effectively on a County level with secondary effects on the region.

Recommendation: The County must work to identify what should be done primarily on a County level and what requires regional action. Where regional action is essential, the County should take the lead in developing the regional mechanisms to resolve the issues.

2. The County must make realistic projections of the infrastructure and societal needs it intends to fill across three- to five-year time frames and match those needs against its revenue-generation capabilities. The County should also recognize that neither growth nor infrastructure investments occur along smooth, gently curving lines; rather, they occur in steps and bursts, and these steps are often accompanied by sharply increased fiscal needs and significant public inconvenience.

Recommendation: The County Executive and County Council need to work together to develop a "vision"--of the level of services to be provided and quality of life to be expected by its citizens--for the future as well as to assess the cost thereof and to identify the feasible revenue-generation measures to pay for this way of life.

3. The County must develop specific, quantitative data and modeling comparing the costs with the benefits of economic and residential development in order to determine whether such development reduces or increases the tax burden on County residents. To do this, it is essential to separate the cost/benefits of economic development from cost/benefits of changing needs/habits of its existing and evolving population.

Existing data do not present an accurate or complete picture. Development of an appropriate methodology and regularly updated database of relevant information is a major task--one well beyond the capabilities and resources of this or any other advisory Task Force. Interrelationship of quantifiable factors (transportation, education, public safety, social services, transiting County versus commuting within County); evaluation of difficult-to-quantify areas (quality of life, root causes of congestion, lifestyle choices of populace, social value of increased availability of retail, entertainment and higher education facilities in County); impracticability of seeking to identify and measure every direct and indirect cost/benefit of development--all demonstrate the magnitude of the task and the need to define a realistic set of objectives for studies to be conducted. Without an investment in front-end definition and development of quality information, however, public discussion of economic development's positive and negative impacts becomes little more than adversary argument and impedes any effort to plan intelligently.

Recommendation: The County should address this information gap immediately. At the micro level, seek to develop some specific fact scenarios (admittedly imperfect) and calculate cost/benefits thereof; at the macro level, the County should allocate the money to commission a study from a qualified research group to define type of information to be gathered, identify limits of direct and indirect impacts to be examined and scope the cost/timing of an ongoing program. The program must include an agreed methodology and provide regularly updated statistics of costs/benefits.

4. Ultimately, one's view on economic and residential development tends to be personal, political and somewhat contradictory--nearly everyone wants the asserted benefits: accessible, quality jobs for the populace; excellent schools and public services; lower residential tax rates and increased land values; virtually no one really wishes to face the asserted costs: increased traffic, fewer farms and less green space, higher real estate tax assessments, more crowded society, greater pressure on public safety and educational services.

Overall Recommendation: Determine To Make the Needed Investments and To Figure Out How To Pay for Them Without a Significantly Increased Tax Burden on the Individual Resident. This inevitably involves economic development to some degree. The issue should be how to do it intelligently; i.e., What kind? How much? How fast? Our recommendation to the County is to strive for realism here: develop good data; apply imagination and judgment to that data in developing forward-looking policies and programs; recognize the futility of seeking only to maintain a "status quo" and be aggressive in creating our future.

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SITUATION ASSESSMENT--Late 1989

Real Property Tax Burden

Montgomery County has experienced ten years of significant economic expansion without increases (in constant dollars) in the real property tax burden on its community. The economic expansion between 1978 and 1988 is reflected in the composition of the real property assessable base. Whereas the Fiscal Year 1979 (FY 79) residential assessable base comprised 71.3 percent of the total, the share of residential went down to 66.6 percent by FY 89. At the same time, the non-residential assessable base (including personal property) increased from 27.9 percent to 33 percent. (Refer to Table 1 and Chart 1.)

The ten-year period from FY 79 to FY 89 saw the per capita tax on real residential property fluctuate (in constant dollars) from a FY 79 high of \$552 to a low of \$494 in FY 86, and up again to an estimated \$548 in FY 89. During the same period, real personal income per capita experienced a steady increase with the result that residential property taxes decreased as a percent of personal income. In FY 79, each Montgomery County resident paid on the average 3.1 percent of his/her income toward residential property taxes. In FY 89, residential property taxes accounted for only 2.4 percent of the income per person. (Refer to Table 2.)

A similar trend is seen when the County Income Tax is added to the Residential Property Tax. In 1979, Montgomery County residents paid on the average 5.1 percent of their personal income in real property and County personal income taxes. By FY 1989, that percentage had declined to 4.5 percent. (Refer to Table 2A.)

Population/Households Growth

In the last 20 years, Montgomery County's population has grown significantly, keeping pace with or exceeding the growth rate of the Washington Metropolitan Area. Furthermore, changing lifestyles, in particular the shift to smaller households, have led to a much larger increase in the number of households. (Refer to Table 3 and Chart 2.)

The population of the County increased from 490,000 in 1968 to 697,000 in 1988--a gain of 42.2 percent in 20 years; households increased from 143,000 to 265,000 during the same time period, representing a much greater increase of 85.3 percent.

- During the ten-year period between 1978 and 1988, the County's population increased from 579,100 to 697,000 or 20.4 percent, while the number of households increased from 198,800 to 265,000 or 33.3 percent.
- This growth in population and households has accelerated in recent years as the entire metropolitan region experienced an economic boom. Between 1985 and 1988, the population of the County increased 11 percent; households increased 12.4 percent.

Jobs Growth

During the 1980s the County has experienced very strong growth in jobs--a 59.9 percent increase between 1978 and 1988 in jobs located in the County. From 1984 to 1988, the growth rate has been slightly higher at 6.0 percent per year. (Refer to Table 4 and Charts 3 and 4.)

- The 1978 to 1988 period also witnessed substantial shifts in the composition of the County's economic base: services strengthened its role as the largest economic sector to account for 33 percent of all jobs in the County (from 25 percent in 1978); retail trade ranked second with 20 percent of the jobs in 1988; the federal government sector declined from 16 percent to 11 percent of all jobs, while the state and local government sector decreased from 9 percent to 6 percent.

A major force driving the economy of Montgomery County, as well as that of the region, continues to be federal procurement dollars. In 1988, federal purchases of goods and services from firms located in the County totaled more than \$2.1 billion, or 20.0 percent of the total purchases in the region. More than half of the purchases in the County were for services; i.e., \$1.2 billion or 54.4 percent of the contract dollars. (Refer to Tables 5 and 6 and Chart 5.)

Work Force

The County has a highly educated and skilled resident labor force. Forty percent of the adult population has four or more years of college--one of the highest education levels in the country.

- The young adult population (20-34 years old) has grown from 145,900 in 1980 to 166,100 in 1987, and is expected to increase to nearly 180,000 in 1995. This group, together with the 35 to 64 age group, will comprise 60.1 percent of the County population in 1995, down from 62.2 percent of the population in 1985. (Refer to Table 7.)

- . The growing participation rate of women in the labor force has provided a significant pool of employees for the new jobs in the County. In 1987, 81 percent of women aged 25 to 34 (up from 78 percent in 1984) and 78 percent of women aged 35 to 44 (up from 74 percent in 1984) were employed full- or part-time. This participation rate is not expected to grow significantly; the two-worker household has already become the norm in the County.

The substantial increase in County jobs experienced from 1977 to 1987 has not resulted in a significant increase in the percentage of residents employed in Montgomery County. In 1977, there were 160,400 (57.8 percent) County residents employed in Montgomery County; this number increased to 225,000 in 1987, comprising 58.8 percent of the total resident employment. This confirms that a significant portion of the population continues to commute to jobs in other jurisdictions throughout the metropolitan area. (Refer to Table 8 and Chart 6.)

Demographic/Lifestyle Changes

Demographic shifts and lifestyle changes in the County have resulted in a significantly greater number of households and in significantly more cars on the road than can be accounted for by the increase in population alone.

- . The population has continued to grow older with the median age increasing from 32.1 in 1980 to 34.5 in 1987. Projections show that median age will stabilize at about 34 years throughout the next decade (Research Division, Maryland-National Capital Parks and Planning Commission, Demographic Model 1990). While the population under 20 has decreased relative to the total population from 29.7 percent to 25.9 percent, the population 65 and older increased from 8.7 percent to 10.5 percent of the total. This trend is projected to continue into the year 2000. (Refer to Tables 7 and 9.)
- . Household size has decreased from 2.93 persons per household in 1977 to 2.62 persons per household in 1987, explaining in part why households have increased at a faster rate than population. Projections for the year 1999 show a further decrease to 2.3 persons per household. The rate of decline has slowed since 1980 mainly because of the slowdown in the rate of one-person household formation--this increased dramatically from 13.5 percent in 1970 to 21.5 percent in 1980, but has only maintained that share of total households since that time. (Refer to Chart 7.)
- . Between 1978 and 1988, the number of motor vehicles registered in the County increased by 42.1 percent, as compared to the 20.4 percent increase in population and 33.3 percent increase in households during the same period. (Refer to Chart 8.)

Transportation Infrastructure

For the early part of the ten-year period, the County deferred planned investments in its transportation infrastructure; during the past few years there has been an effort to "catch up" on those deferred projects.

- . From 1980 to 1985, the County spent on the average less than 50 percent of those funds approved each year for road construction. Since 1985, the County has increased this annual expenditure rate from 77.9 percent in 1985 to 97.9 percent in 1989. (Refer to Table 10.)
- . The County's commitment to highway maintenance has increased steadily during the past ten years: in 1980, \$8.5 million was spent for maintenance on 1,653 road miles; by 1985 this had been increased to \$11.5 million for 1,775 miles, and by 1989, to \$13.9 million for 1,917 road miles. (Refer to Table 11.)
- . In an effort to accelerate needed development of state roads, the County has committed local funding to cover part of the cost of these roads. In 1985, the County provided \$6 million of the \$46.7 million spent on state roads. This amount is expected to increase to \$26.1 million for state roads and transit in FY 93. (Refer to Table 12.)

Public Schools

County expenditures for schools have increased dramatically over the last decade. In addition to maintenance and facilities improvement for older schools and development costs for new schools, the increase was precipitated by an increasing burden resulting from the reduction in state funding for local schools, school program expansions and enhancement of existing programs. These have resulted in operating expenditures more than doubling from \$254.3 million in 1978 to \$578.3 million in 1989.

Montgomery County Public Schools (MCPS) did not project accurately enough the enrollment shifts in the early 1980s and the growth that began in 1984 (FY 85). Some schools were overcrowded in the developing areas until new schools and additions were completed. The State and County deferred funds for school modernizations in the early 1980s until decisions were made about school closings in the down-County. State funding of schools also dropped precipitiously at this time. (Refer to Tables 13, 14, 15 and 16, and Charts 9 and 10.)

- . The State withheld funding of new schools for a three- to four-year period while the County made decisions concerning school closings in the down-County.

- . Per pupil expenditure has increased steadily from \$4,659 per pupil in FY 78 to an estimated \$6,210 per pupil in FY 89 as a result of increased teacher pay, smaller class size, expanded course offerings, and enhanced equipment, such as computers.
- . Student enrollment has fluctuated somewhat since FY 78 but has decreased slightly overall. Highest enrollment occurred in FY 78 with 112,010 students; lowest was in FY 84 with 91,024 students. Enrollment in FY 90 is 100,259 students.
- . The number of operating schools in FY 90 is 165. There were 193 schools in FY 78. Fifty-three schools were closed from FY 78 to FY 88. Fifteen new schools were built from 1981 to 1989, most in the up-County area, and the County is now reopening schools that were closed in the down-County.
- . School age population is projected by MCPS to increase, resulting in public school enrollment growth from 100,259 in FY 90 to 128,854 in FY 95.
- . During the period from 1985 to 1990, 47 percent of the Capital Appropriation for Schools was for new schools and land acquisitions; 35 percent for modernizations, additions, auditoriums and gymnasiums; and 18.5 percent for maintenance and countywide support.

Higher Education

In the past ten years the County has embarked on an aggressive program of investment in higher education to meet the growing needs of its residential and corporate community. The County's efforts are built upon Montgomery College, one of the nation's premier community colleges. The College has more than 20,000 degree credit and 13,000 noncredit continuing education students, located at three campuses in Rockville, Takoma Park and Germantown. With an annual operating budget of more than \$64 million, Montgomery College has made major efforts to respond to business needs, with programs ranging from automotive and printing technology to medical/health technology to electromechanical technology. (Refer to Table 17.) The College has recently redoubled its efforts to link up with the public school system to provide the more intensive technical training needed for entry-level jobs in the County.

- . Montgomery County steadily increased its financial commitment to Montgomery College in the period from 1978 to present. In 1978 the County funded 34.6 percent of the College's operating costs and 59.8 percent of its Capital Improvements Program (CIP). In 1990 the County will fund 43 percent of the operating costs and 83.5 percent of its CIP.
- . The operating budget for Montgomery College has increased from \$23,624,000 in 1978 to \$64,389,000 in 1990; the CIP has increased from \$1,174,000 in 1978 to \$2,715,000 in 1990.

In addition, the beginnings of specialized campuses of both The Johns Hopkins University and the University of Maryland are now located in the County with a significant enrollment in their programs at graduate and upper-division undergraduate levels. The enrollment at County campuses of these two universities has more than doubled from 1,325 students in FY 86 to 2,765 in FY 89. (Refer to Table 18.)

- . The County provided 50 acres of land to the University of Maryland and 37 acres of land to The Johns Hopkins University for the establishment and expansion of higher education programs related to our high technology industries. Some \$3.6 million in County funding has been invested in infrastructure to permit the development of these sites.
- . \$9.2 million was provided to The Johns Hopkins University for the construction of the first building on its site at the Shady Grove Life Sciences Center.
- . The County financed the construction of the \$7.6 million University of Maryland Center for Advanced Research in Biotechnology. For the planned University of Maryland Education Center classroom building, the County has committed \$1.7 million in addition to \$1.3 million in land and infrastructure.

County Government Employment

Job growth in County government has been limited by executive mandate; it is not clear as to the extent of the impact this containment has had on adequate planning and investment for the demographic/lifestyle changes and significant residential/economic growth being experienced by the County. (Refer to Table 19 and Chart 11.)

Resource Allocation Shifts

During the past ten years, the County's resource allocations have shifted substantially to meet emerging societal issues, such as public safety and the impact of drugs on the County. (Refer to Tables 20 and 21 and Chart 12.) The last five years (1983-1988) have seen significantly different growth rates among the budgets of the departments dealing with health, social services and public safety:

- . 49.2 percent for all health and social programs (including Health, Addiction, Victim and Mental Health Services, Family Resources, Human Relations, Commission for Women, and Social Services)
- . 34.2 percent for all public safety programs (including Police, Fire and Rescue, Fire Departments, Corrections, Fire and Rescue Commission, Sheriff, Consumer Affairs.

Increased Funding Needs

A major part of the near-term higher investment need faced by the County will be simply to catch up on expenditures required for transportation and education to meet existing requirements that have resulted from both growth and changing lifestyles. (Refer to Appendix A.) In addition to the transportation and education investments, there will be in the next few years the requirement for significantly increased County investment to meet changing societal needs; e.g., safety; care of aged; drug-related costs.

- . Projected 28.5 percent increase in MCPS enrollment from 1990 to 1995 will require continued investment in school capacity in the developing areas of up-County, Route 29 Corridor, I-270 Corridor, eastern County and mid-County.
- . Investment requirements for public programs in elderly health and nutrition, housing, recreation, transportation and safety will intensify as elderly population (65 and over) increases from 10.5 percent of the population in 1987 to 11.8 percent of the population in 1995. Furthermore, the special needs of "frail elderly" residents (75 years and older) will need increased attention as their number increases to constitute 4.5 percent of the population by 1995.
- . With the projected increase in births and in the school age population, a growing need for day care is anticipated as the two-working parents households continue to be the norm in the 1990s. Furthermore, there will be a growing requirement for these services by the increasing number of households headed by single parents, especially females.
- . Job growth is projected to continue in high technology, biotechnology, and supportive industries, increasing demand for professional training. However, the largest job growth is expected in service industries, where jobs are projected to outnumber available workers in the County. As a result, technical and paraprofessional training, as well as mainstreaming of special population graduates; e.g., disabled and elderly, into the work force, will gain importance in providing the match between the population and employment opportunities.
- . Drugs will continue to be a major problem, with both new funds and innovative strategies required to deal with the problem from its many perspectives; such as, law enforcement, schools and health care. In the last year alone (1989 to 1990), total Montgomery County resource commitments for substance abuse have increased from \$21.9 million to \$25.1 million--a 14.6 percent increase. This includes all sources of funding and all agencies involved.

- . The amount of disposable solid waste will increase from 573,000 tons in 1988 to an estimated 971,000 by 1995, with per capita waste generation increasing from .8 tons a year to 1.2 tons. This will require continued intensive recycling efforts and alternative disposal initiatives.
- . HIV infections (AIDS) are expected to continue to increase, but at lower rates, with projections of 11,860 HIV-infected cases, 6,000 to 12,000 AIDS cases and 300 to 600 deaths by 1995. The overall costs of health care are expected to rise sharply during the next six years. New initiatives will be required to expand efforts in health education, testing, treatment and care.
- . A major challenge to the County today is to make further improvement in its approach to long-term planning and investment as demographics and societal conditions continue to change. Planning for change requires constant inputs, adjustments and feedbacks in the process.

VISION OF THE COUNTY IN THE 1990s

- . As a basic concept, the County must be viewed as an integral part of the growing Washington metropolitan area. Its problems and opportunities cannot be treated in isolation.
- . The County should be prepared to provide infrastructure and services for the normal evolution of the citizens living in the County and starting their own households here.
- . As part of this large metropolitan area projected to continue to grow, Montgomery County should develop an approach to participate effectively in regional planning for this growth. Otherwise our transportation problems will be exacerbated as surrounding growing communities increasingly clog our roads.
- . The County should be prepared to accommodate "rational" business development to the extent needed to provide quality employment opportunities for a significant portion of County citizens. "Rational" means business development necessary to fulfill County goals: establishing an equitable business/residential split of tax burdens in the County; achieving an appropriate percentage of residents who work in the County; selecting industries that are a particular match to the skills of County residents and are supportive of the high tech economic base.
- . The County should be prepared to provide a reasonable transportation system and routing to enable County residents to reach their jobs, both in and outside the County, and to enable non-residents to commute into and transit through the County.

- . The County should be prepared to continue to provide a superior level of service to its constituents--especially in education, public safety, health care, and recreation/environmental protection.
- . The County should anticipate and prepare for the special needs of an aging population.
- . The County should recognize and plan to meet the fiscal impact--in police, courts, schools, health services, crime--of the drug problem.

APPROACH TO GROWTH ASSESSMENT

- . The Task Force believes growth issues resulting from new economic development; i.e., new jobs, must be identified separately from those resulting from in-County births and increased or changing demands of existing County residents, such as, more households per unit of population; more cars per unit of household; more trips per individual; services for the aging and services related to drug and crime issues.
- . The costs of supporting this evolutionary growth of the incumbent population should be quantified, and there must be recognition that these costs are caused by the residents who demand them rather than being attributed to new development.
- . The County should identify and quantify (to the degree possible) the revenue benefits and cost burdens of that portion of business development/economic growth which is not tied to evolution of the County's incumbent population.
- . The County could then, at least judgmentally, assess how the new growth from outside affects the quality of life (first the County needs to define "quality of life" and then determine how to measure it).

A STRATEGIC ASSESSMENT

- A. The Task Force concluded that a substantial part of the County's steadily increasing fiscal burdens result from the evolving needs of its incumbent population. The Task Force also recognized that based on factual data reviewed, the increased cost of providing services and infrastructure to meet the increased number of households and automobiles per capita due to changed lifestyles alone, would have resulted in higher taxes per capita.

The Task Force was divided on the further question of what effect past development has had on the County's quality of life. Some members were confident that such development has not had a material adverse effect on the quality of life in the County, and has, in fact, substantially enabled the County to provide consistent services to its populace without an unreasonable residential tax burden.

Other members held the view that available data and analysis are insufficient to demonstrate, either way, whether past economic development has partly financed the general quality of life, or has on the contrary failed to pay its way and impaired the quality of life.

The imperative need for objective factual evidence to clarify this fundamental question underlies the Task Force's recommendation that the County commission intensive in-depth analytical studies to quantify the fiscal costs and benefits of economic development.

- B. The Task Force believes the evolution of the County in recent years from a "bedroom community" to its present more diversified economy has contributed significantly to the County's long-term economic health and quality of life. If one looks at the situation from a state or national level, it is clear that developments such as high technology, the evolution toward a service economy and the uncertainty of long-term dependence on federal government funding are trends affecting jurisdictions across the country, as well as this county.

The County's corporate residents must be able to plan for long-term capital expansion improvements, in a planning environment that is more predictable and sensitive to retention objectives.

The potential effect of recent events in Eastern Europe and the Soviet Union on the U.S. defense budget serve to highlight this point. An economy significantly dependent on defense expenditures faces the same risk today as a petroleum-based economy did ten years ago. On the other hand, the skill-set of technical and services capabilities in the Washington-metropolitan area appears adaptable to changing government program priorities, such as growth in environmental cleanup programs.

- C. The most difficult time to motivate an enterprise, or a government, to look realistically at its future and to make necessary long-term investments is when things are going well. Yet that is precisely the time when a municipality or county has the resources as well as the time to master its own destiny.

One of our fundamental recommendations is that the County further sharpen its planning and decision making processes. The planning perspective--fiscal, social and land use--should be as long-term as possible and the County should regularly revisit such issues as changing societal services, evolving school populations and transportation needs. Further, the County's planning perspective should include regional considerations whenever appropriate. Proposals have been advanced by the Washington Council of Governments and the Greater Washington Board of Trade to establish a regional commission to deal more effectively with inter-jurisdictional transportation solutions. The County should seriously consider this and other regional approaches. Finally, County planning must take into account national and international perspectives--labor force growth, U.S. competitive posture, budget deficits, changes in world security issues, etc.--all will impact Montgomery County's future.

In order to do these things, the County must have up-to-date data and not rest its decision-making on information two to three years old, as is often the case currently. We need an ongoing computer model, such as the Rutgers Fiscal Impact Model, as an important tool for the continued evaluation of the economic development situation in the County. Finally, the County should make timely investments, i.e., higher education, when it has the resources to do so.

RECOMMENDED COUNTY APPROACH TO ECONOMIC GROWTH

- A. The Growth Assessment Task Force concludes that the County should set a reasonable level of continued economic growth as a goal. It should seek to maintain its diversified economy with emphasis on high technology and on high-value services, and it should specifically select and encourage those industries it believes it would like to see operating in the County.

The challenge to the County is to facilitate its in-place economic assets--its people, businesses, research institutions, and other resources--to aggressively pursue the high end of the global market, that is, a focus on high value-added products and services, building on local strengths while simultaneously anticipating and preparing for changes in that market.

- B. The fundamental view of the Task Force is that a proactive approach toward the County's future is more desirable than an approach largely defensive. We cannot assume that because we have a good environment here we can ignore fundamental movements in society, regionally and nationally and expect to maintain what we have. A defensive approach merely postpones the inevitable impact of changing societal situations and will leave the County less well-equipped to provide at reasonable costs the quality of services it has been able to provide in the past.

As a practical matter, normal economic development will entail physical expansion. The issue should not be whether there should or should not be physical expansion, but rather how it can be channeled and accommodated in a way that yields more benefits than costs to the County, in terms of economic development, housing, cultural amenities, and environmental resources.

AGENDA FOR ACTION

The Task Force's recommendations for County Executive and County Council action are set forth in the Executive Summary at the beginning of the report.

TABLES AND CHARTS

TABLE 1
COMPOSITION OF TOTAL MONTGOMERY COUNTY ASSESSABLE BASE BY CLASSIFICATION OF PROPERTY,
ACTUAL FISCAL YEAR 1979-FISCAL YEAR 1989, ESTIMATED FISCAL YEAR 1989-1990
AMOUNT (\$000'S)

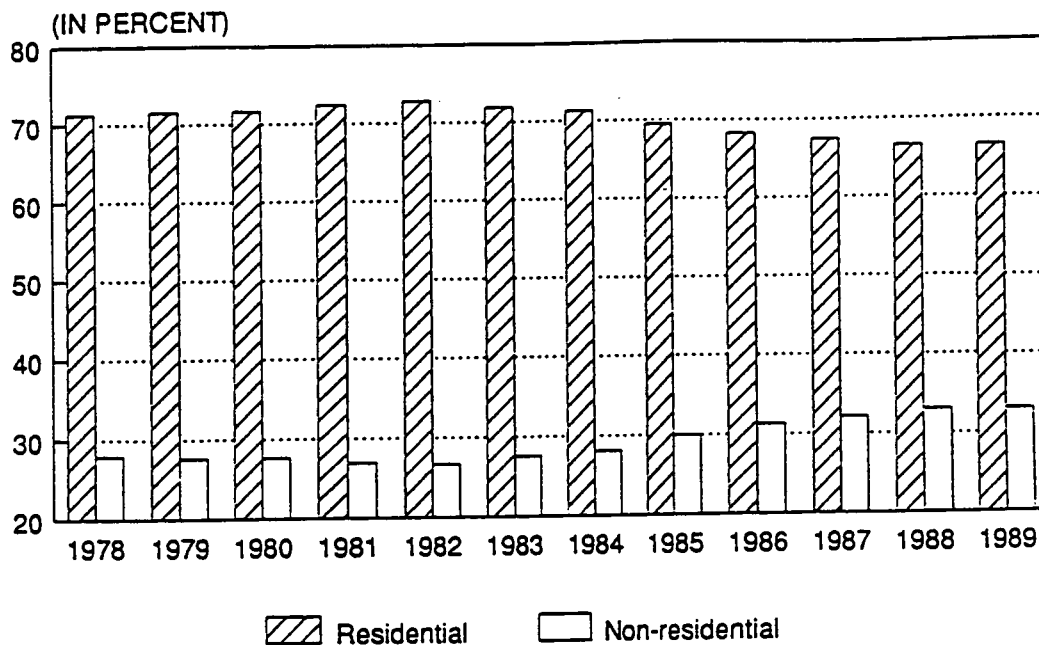
Base	RESIDENTIAL				FARM	NON-RESIDENTIAL					Total Real and Personal Assessable	
	Residential	Condo	Apartments	Total	Farm	Commercial	Industrial	All Other	Total Real	Personal Property	Total	Personal Assessable
1989-90 Est.	\$11,865,000	\$1,181,000	\$1,151,000	\$14,197,000	\$82,249	\$2,550,000	\$1,400,000	\$490,751	\$4,440,751	\$2,600,000	\$7,040,751	\$21,320,000
1988-89	10,745,000	1,106,250	1,048,950	12,900,200	76,809	2,315,291	1,233,788	442,851	3,991,930	2,408,808	6,400,738	19,377,747
1987-88	9,895,000	998,709	949,793	11,843,502	74,170	2,030,000	1,017,250	400,537	3,447,787	2,173,510	5,621,297	17,539,969
1986-87	9,030,000	944,000	854,866	10,828,866	72,029	1,718,361	887,906	348,199	2,954,466	2,006,187	4,960,653	15,861,548
1985-86	8,369,164	849,224	774,789	9,993,177	73,297	1,411,110	766,002	304,175	2,481,287	1,824,421	4,305,708	14,372,182
1984-85	7,614,020	780,144	717,585	9,111,749	68,738	1,148,097	627,498	265,597	2,041,192	1,552,340	3,593,532	12,774,019
1983-84	6,930,359	686,917	660,266	8,277,542	63,575	1,004,325	552,749	237,544	1,794,618	1,368,531	3,163,149	11,504,266
1982-83	6,250,000	581,000	618,998	7,449,998	59,800	901,525	479,439	215,544	1,596,508	1,126,688	2,723,196	10,232,994
1981-82	5,719,085	405,981	590,399	6,715,465	65,221	874,243	404,793	164,368	1,443,404	1,045,541	2,488,945	9,269,631
1980-81	5,113,443	355,781	520,706	5,989,930	61,565	806,244	384,767	161,494	1,352,505	949,603	2,302,108	8,353,603
1979-80	4,792,800	273,065	497,283	5,563,148	60,563	766,617	366,996	138,185	1,271,798	867,237	2,137,035	7,762,746
1978-79	4,158,926	226,685	485,697	4,871,308	53,476	681,366	325,114	101,474	1,107,954	793,149	1,901,103	6,825,887

PERCENT OF TOTAL

1989-90 Est.	55.7%	5.5%	5.4%	66.6%	0.4%	11.9%	6.6%	2.3%	20.8%	12.2%	33.0%	100.0%
1988-89	55.5	5.7	5.4	66.6	0.4	11.9	6.4	2.3	20.6	12.4	33.0	100.0
1987-88	56.4	5.7	5.4	67.5	0.4	11.6	5.8	2.3	19.7	12.4	32.1	100.0
1986-87	56.9	6.0	5.4	68.3	0.4	10.8	5.6	2.2	18.6	12.7	31.3	100.0
1985-86	58.2	5.9	5.4	69.5	0.5	9.8	5.4	2.1	17.3	12.7	30.0	100.0
1984-85	59.6	6.1	5.6	71.3	0.6	9.0	4.9	2.1	16.0	12.1	28.1	100.0
1983-84	60.2	6.0	5.7	71.9	0.6	8.7	4.8	2.1	15.6	11.9	27.5	100.0
1982-83	61.1	5.7	6.0	72.8	0.6	8.8	4.7	2.1	15.6	11.0	26.6	100.0
1981-82	61.7	4.4	6.3	72.4	0.7	9.4	4.4	1.8	15.6	11.3	26.9	100.0
1980-81	61.2	4.3	6.2	71.7	0.7	9.7	4.6	1.9	16.2	11.4	27.6	100.0
1979-80	61.7	3.5	6.4	71.6	0.8	9.9	4.7	1.8	16.4	11.2	27.6	100.0
1978-79	60.9	3.3	7.1	71.3	0.8	10.0	4.8	1.5	16.3	11.6	27.9	100.0

CHART 1

MONTGOMERY COUNTY TOTAL ASSESSABLE BASE FY 1978-FY1989



Source:
Montgomery County Office of Finance

TABLE 2

Real Property Taxes and Personal Income Per Capita
(in 1990 Dollars)
FY 1978 to FY 1990

Fiscal Year	Real Property Taxes/Capita	Residential Property Taxes/Capita	Nonresidential Property Taxes/Capita	Nonresidential Property Taxes/ Residential Property Taxes	Personal Income Per Capita	Residential Property Taxes as % of Personal Income
1978	\$ 818	\$ 594	\$ 224	37.7	\$17,689	3.4
1979	775	552	222	40.2	17,659	3.1
1980	702	502	199	39.6	17,649	2.8
1981	693	493	196	39.8	17,413	2.8
1982	700	507	193	38.1	17,688	2.9
1983	708	515	193	37.5	18,136	2.8
1984	713	513	200	39.0	18,290	2.8
1985	735	524	211	40.3	19,029	2.8
1986	711	494	217	43.9	19,215	2.6
1987	752	514	238	46.3	20,103	2.6
1988	793	535	258	48.2	21,049	2.5
1989 est	817	548	269	49.1	22,479	2.4
1990 budgeted	840	562	278	49.5	22,797	2.5

Source: Montgomery County Council, Task Force to Examine Future Budget Needs, December 1989

TABLE 2A

LOCAL TAX REVENUES
RESIDENTIAL AND NONRESIDENTIAL SECTOR
(IN MILLIONS \$)

Fiscal Year	Actual County Income Tax	Actual Residential Property Tax	Actual County Income Tax + Residential Property Tax	Total Actual Residential/Non Residential Property Tax + County Income Tax	Percent of Residential Sector of All Property + County Income
1978	86	168	254	317	80.2%
1979	102	168	270	337	80.1%
1980	116	170	286	354	80.8%
1981	124	190	314	389	80.7%
1982	139	211	350	430	81.4%
1983	150	227	377	462	81.6%
1984	165	246	411	508	80.9%
1985	186	269	455	563	80.8%
1986	206	273	479	599	80.0%
1987	225	305	530	671	79.0%
1988	271	340	611	774	78.9%
1989	301	366	667	846	78.8%
1990	327	402	729	927	78.6%

Source: Task Force to Examine Future Budget Needs, 1989

TABLE 2A (continued)

LOCAL TAX REVENUES
RESIDENTIAL AND NONRESIDENTIAL SECTOR
(IN MILLIONS \$)
CONTINUED

Fiscal Year	Actual Personal Income	Actual County Income Tax + Property Tax/ Personal Income	Actual County Income Tax (adjusted) + Property Tax/ Personal Income
1978	4,992	5.1%	4.9%
1979	5,358	5.0%	4.8%
1980	5,978	4.8%	4.6%
1981	6,648	4.7%	4.5%
1982	7,352	4.8%	4.6%
1983	7,992	4.7%	4.5%
1984	8,709	4.7%	4.5%
1985	9,770	4.7%	4.5%
1986	10,627	4.5%	4.3%
1987	11,936	4.4%	4.3%
1988	13,350	4.6%	4.4%
1989	15,000	4.4%	4.2%
1990	16,300	4.5%	4.3%

Source: Task Force to Examine Future Budget Needs, 1989

TABLE 3

POPULATION AND HOUSEHOLDS - MONTGOMERY COUNTY 1978-1999

	1978	1979	% Change	1980	% Change	1981	% Change	1982	% Change	1983	% Change
Population	579,100	579,300	0.03%	579,058	-0.04%	582,500	0.60%	586,500	0.69%	590,500	0.68%
Households	198,800	202,000	1.61%	207,195	2.57%	211,800	2.22%	216,800	2.36%	220,800	1.85%
		1984	% Change	1985	% Change	1986	% Change	1987	% Change	1988	% Change
Population		610,000	3.30%	628,000	2.95%	645,000	2.71%	680,000	5.43%	697,000	2.50%
Households		227,500	3.03%	235,850	3.67%	245,400	4.05%	255,350	4.05%	265,000	3.78%
		1989	% Change	1990	% Change	1991	% Change	1992	% Change	1993	% Change
Population		706,000	1.29%	715,000	1.27%	724,000	1.26%	733,000	1.24%	746,000	1.77%
Households		273,000	3.02%	280,000	2.56%	286,500	2.32%	294,000	2.62%	301,000	2.38%
		1994	% Change	1995	% Change	1996	% Change	1997	% Change	1998	% Change
Population		756,000	1.34%	760,000	0.53%	765,000	0.66%	770,000	0.65%	775,000	0.65%
Households		307,000	1.99%	312,000	1.63%	317,000	1.60%	322,000	1.58%	327,000	1.55%
		1999	% Change								
Population		780,000	0.65%								
Households		332,000	1.53%								

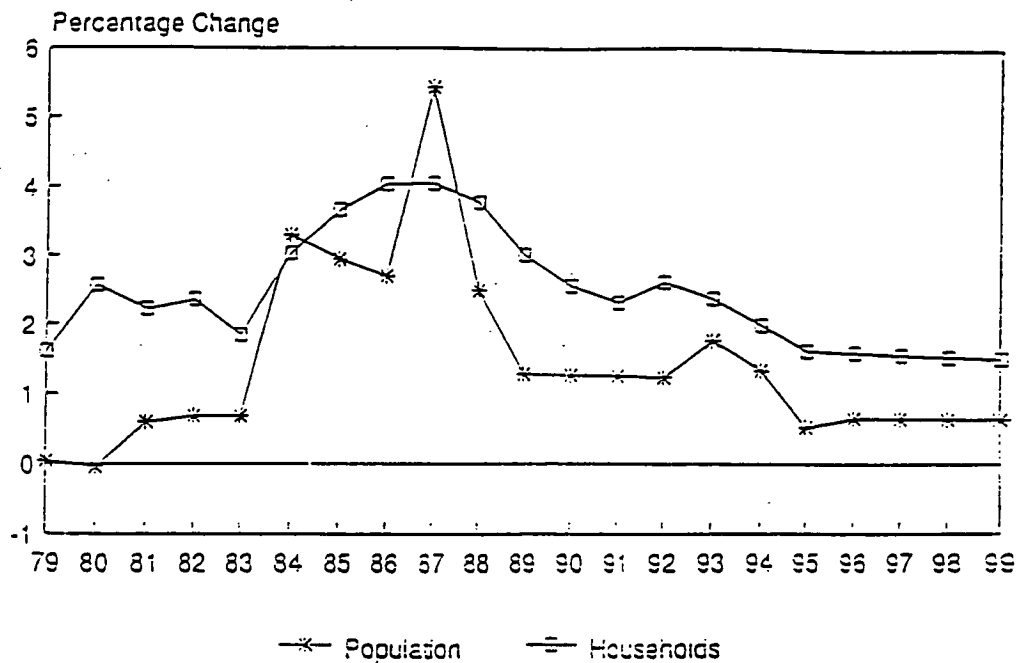
Population and Household Growth

	1978-1988		1985-1988	
	Total	% Change	Total	% Change
Population	117,900	20.36%	69,000	10.99%
Households	66,200	33.30%	29,150	12.36%

Source: Montgomery County Planning Board

CHART 2

GROWTH IN POPULATION AND HOUSEHOLDS MONTGOMERY COUNTY, 1978-1999



Source: Montgomery County Planning Board

TABLE 4

**MONTGOMERY COUNTY RESIDENT AND AT-PLACE EMPLOYMENT
1978, 1980, 1984, 1988**

Resident Employment	1978	1980	1984	1988	Annual Yearly Change	
					1978-1988	1984-1988
Construction	12,500	25,451	25,932	32,000	15.6%	5.8%
F.I.R.E.	17,600	22,367	21,353	28,650	6.3%	8.5%
Manufacturing	16,700	19,323	22,611	31,000	8.6%	9.3%
Trade	60,000	52,365	52,582	66,000	1.0%	6.4%
Services	87,000	74,757	104,596	127,600	4.7%	5.5%
T.C.U.	10,900	13,407	13,989	21,050	9.3%	12.6%
Other	13,300	2,766	5,006	4,800	-6.4%	-1.0%
Federal	55,400	59,868	59,000	59,000	0.6%	0.0%
State & Local	22,100	29,444	26,000	29,900	3.5%	3.8%
Total	295,500	299,748	331,069	400,000	3.5%	5.2%
At-Place Employment						
Construction	24,000	27,131	28,549	38,200	5.9%	8.5%
F.I.R.E.	18,000	21,622	24,518	30,500	6.9%	6.1%
Manufacturing	15,000	17,570	22,331	24,000	6.0%	1.9%
Trade	55,000	59,866	65,884	86,600	5.7%	7.9%
Services	68,000	79,150	102,803	140,000	10.6%	9.0%
T.C.U.	5,500	8,458	9,805	12,500	12.7%	6.9%
Other	17,000	18,904	20,791	24,200	4.2%	4.1%
Federal	44,000	45,258	45,987	46,600	0.6%	0.3%
State & Local	24,000	26,600	25,200	26,900	1.2%	1.7%
Total	270,500	304,600	345,868	429,500	5.9%	6.0%

Source: Montgomery County Planning Board, Trends and Forecast, 1988

MONTGOMERY COUNTY AT-PLACE EMPLOYMENT

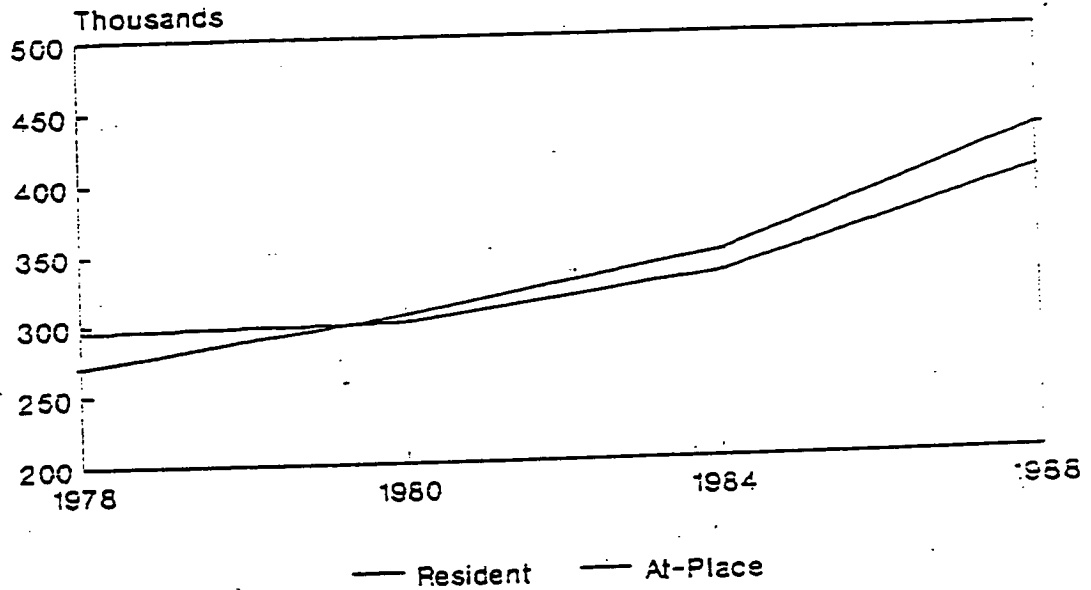
Year	Employment	Period	CHANGE			
			Total		Yearly Average	
			Number	% Change	Number	% Change
1978	270,500	1978-1988	159,000	58.8%	15,900	5.9%
1980	304,600	1978-1980	34,100	24.2%	41,816	12.1%
1984	345,868	1980-1984	41,268	13.5%	10,317	3.4%
1988*	429,500	1984-1988	83,632	24.2%	20,908	6.0%

Source: Montgomery County Planning Board, Trends and Forecasts, 1988

*Note: January estimates by Montgomery County Planning Board revised employment 423,000

CHART 3

EMPLOYMENT GROWTH MONTGOMERY COUNTY 1978-1988

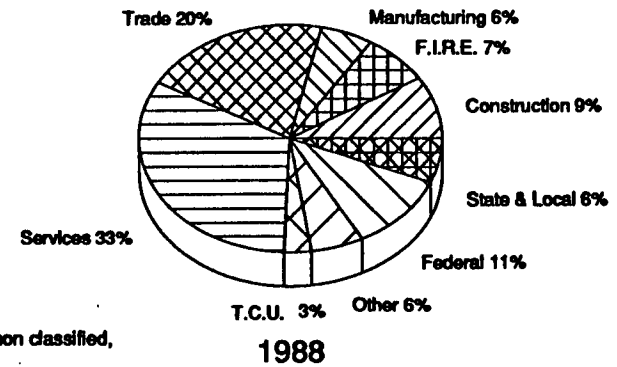
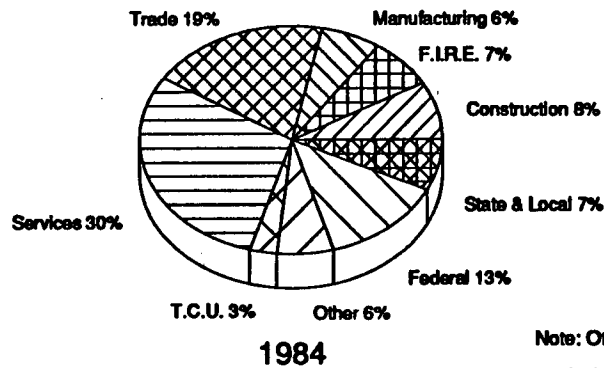
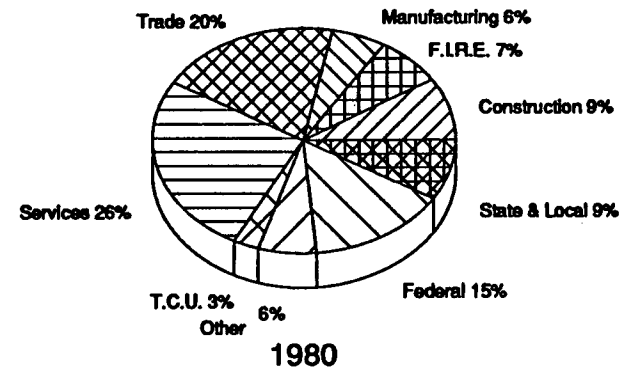
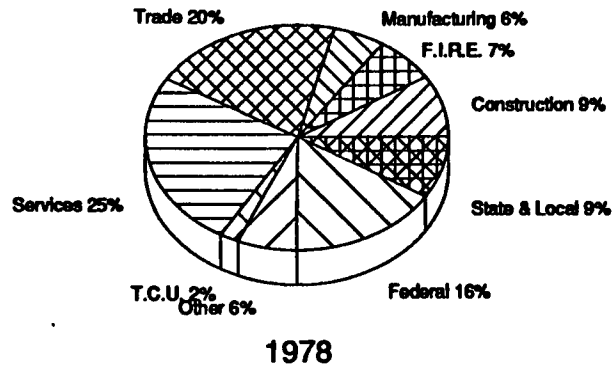


Source: Montgomery County Planning Board
Trends and Forecasts, 1988

CHART 4

AT-PLACE EMPLOYMENT - MONTGOMERY COUNTY

1978, 1980, 1984, 1988



Note: Other includes self-employed, non classified, agriculture and mining

Source: Montgomery Planning Board, Trends and Forecasts, 1988

TABLE 5

Federal Purchases in Greater Washington

Fiscal Year 1988

	<u>Montgomery County</u>		<u>Washington, D. C.</u>		<u>Fairfax County</u>		<u>Washington Metro</u>
	Amount	% of Region	Amount	% of Region	Amount	% of Region	
Number of Contracts	11,876	26.7	10,994	24.7	8,124	18.4	44,521
Number of Firms	1,176	15.6	2,584	34.2	1,073	14.2	7,546
Value of Contracts (\$ in mill)	\$ 2,131.60	20.0	\$ 2,681.10	25.2	\$ 1,960	18.4	\$ 10,649
Number	11,876		10,994		8,174		44,521
R & D (\$ in mill)	\$ 412.00	21.5	\$ 198.00	10.3	\$ 345.10	18.0	\$ 1,917
Number	1,025	23.9	628	14.7	991	23.2	4,280
Services (\$ in mill)	\$ 1,159.00	19.4	\$ 2,123.00	35.5	\$ 922.70	15.4	\$ 5,983
Number	4,398	18.8	7,646	32.6	3,211	13.7	23,448
Products (\$ in mill)	\$ 560.50	20.4	\$ 360.10	13.1	\$ 693.11	25.2	\$ 2,748
Number	6,453	38.4	2,720	16.2	3,972	23.7	16,793
Average Size of Contracts	\$401,977	89.7	\$315,366	70.4	\$348,270	77.7	\$447,967

Source: Stephen S. Fuller, Federal Purchases in Greater Washington, Greater Washington Research Center, December 1989.

TABLE 6

Major Categories of Federal Purchases By Jurisdiction
 With at Least \$1 Billion in Federal Contracts
 Washington Metropolitan Area
 FY 1988
 (\$ in Thousands)

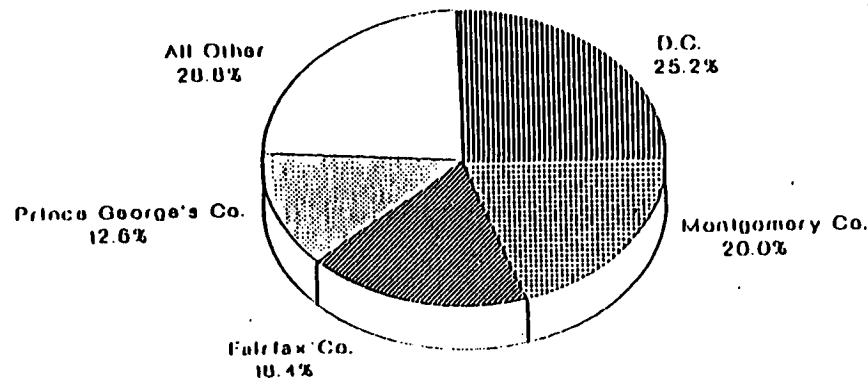
Dollars in:	District of Columbia	Montgomery County	Prince George's County	Fairfax County
Total	\$2,681,132	\$2,131,577	\$1,340,851	\$1,960,864
Defense Systems R&D		115,793	356,005	
Defense Other R&D				105,261
Space R&D		128,995	156,352	107,490
Social Services	168,869			
Equip. Maint.				124,856
ADP Services	260,224	193,898	93,281	186,511
Professional Serv.	431,776	219,209		216,445
Utilities	213,507			
Other Services	422,910	161,211		
Comm. Equip.			95,892	
ADP Equip.	153,005	397,162	111,162	440,440
Subtotal	\$1,650,291	\$1,216,268	\$ 812,692	\$1,181,003
Major Categories as % of Total	61.6%	57.1%	60.6%	60.2%

Note: Federal contracts in each of the categories where numbers appear comprise at least five percent of the jurisdiction's total federal purchases.

Source: Stephen S. Fuller, Federal Purchases in Greater Washington, Greater Washington Research Center, December 1989.

CHART 5

Distribution of Federal Contract Funds by Jurisdiction Washington Metropolitan Area FY 1988



- Just as a relatively small number of large contractors dominate federal procurement, so do a few major jurisdictions. Six localities -- the District of Columbia, the Maryland counties of Montgomery and Prince George's, and the Virginia jurisdictions of Arlington and Fairfax counties and Alexandria -- received nearly 90 percent of the dollars in FY 1988.
- Among these six, the District led with 25 percent of the total. Montgomery was second with 20 percent, Fairfax third with 18 percent, and Prince George's fourth with almost 13 percent. The four combined received 76 percent of the dollar volume, and the first three had nearly two-thirds.

TABLE 7

MONTGOMERY COUNTY POPULATION CHARACTERISTICS: 1970-1987
 (Population in Thousands)

	1970	1980	1984	1987	1984-1987
All Ages	516.6	573.4	604.0	674.0	11.6
Under 5	43.0	33.1	39.0	45.5	16.7
5-9	54.6	37.8	33.7	43.7	29.7
10-14	57.9	48.7	45.2	40.6	-10.2
15-19	47.9	50.7	43.4	42.5	- 2.1
20-24	34.3	45.9	42.5	42.5	0.0
25-34	68.9	100.0	104.5	123.6	18.3
35-44	69.6	80.9	98.3	114.9	16.9
45-54	69.1	68.6	71.6	74.7	4.3
55-64	41.1	58.0	65.9	67.5	2.4
65-74	19.8	31.0	39.6	46.0	16.2
75 & Older	10.5	18.7	20.4	23.6	15.7
Not Reported	-	-	-	9.0	
Median Age	27.9	32.1	34.4	34.5	
Percent of Population:					
Under 20	39.4	29.7	26.7	25.9	
65 & Older	5.9	8.7	9.9	10.5	
Race:					
Percent White	94.5	85.6	84.9	84.2	

Note: Excludes population in group quarters which was reported as 6,164 in 1970 and 5,632 in 1980 by the U.S. Bureau of the Census.

Source: 1970 and 1980 U.S. Census; 1984 and 1987 Census Update Surveys, MCPD.

TABLE 8

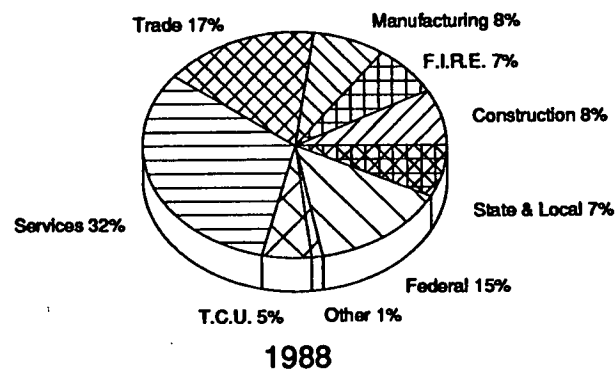
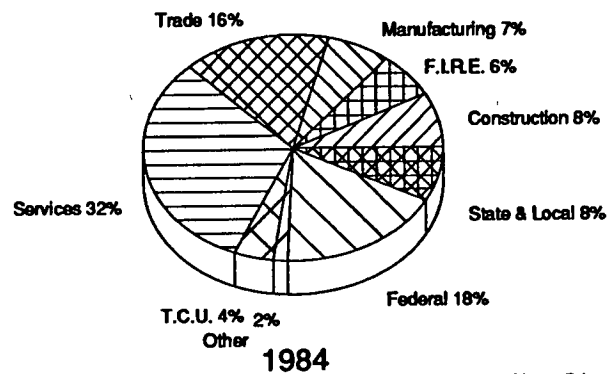
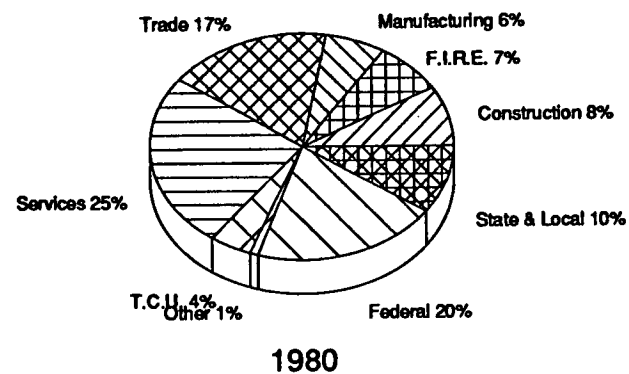
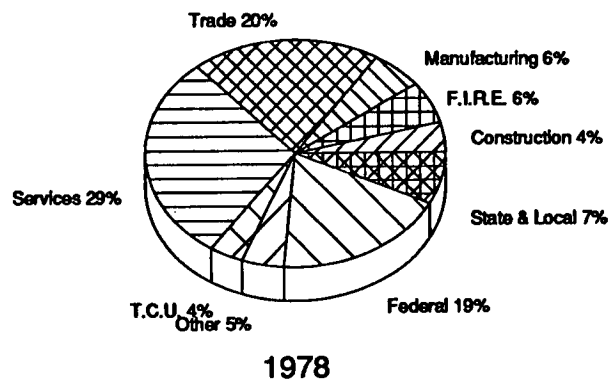
PLACE OF WORK OF EMPLOYED MONTGOMERY COUNTY RESIDENTS,
16 YEARS OF AGE AND OLDER, 1977-1987

	1977	1984	1987
Total Number Employed	277,525	329,715	383,224
Percent	100.0%	100.0%	100.0%
Montgomery County	57.8	59.9	58.7
Inside Beltway	26.5	21.3	18.5
Bethesda/Chevy Chase		13.3	12.4
Silver Spring/Takoma Park		8.0	6.1
Outside Beltway	31.3	38.6	40.2
North Bethesda/Rockville		17.1	16.2
Gaithersburg		8.6	10.4
Germantown/Clarksburg		1.4	1.8
Potomac		1.8	2.2
Kens./Wheaton/Aspen Hill			
Olney/Kemp Mill/4 Corners		6.1	6.1
Colesville/Wh.Oak/Fairland/			
Burtonsville/Cloverly		2.3	2.6
Rural		1.3	1.0
Prince Georges' County	5.2	5.1	5.4
Elsewhere in Maryland	2.8	3.0	3.1
District of Columbia	27.4	24.5	24.5
Northern Virginia	5.0	5.9	6.8
Other/Multiple Locations	1.8	1.8	1.5
Not Reported		6,795	4,109

Source: 1977, 1984, and 1987 Census Update Surveys, MCPD.

CHART 6

RESIDENT EMPLOYMENT - MONTGOMERY COUNTY 1978, 1980, 1984, 1988



Note: Other includes self-employed, non classified, agriculture and mining

Source: Montgomery Planning Board, Trends and Forecasts, 1988

TABLE 9

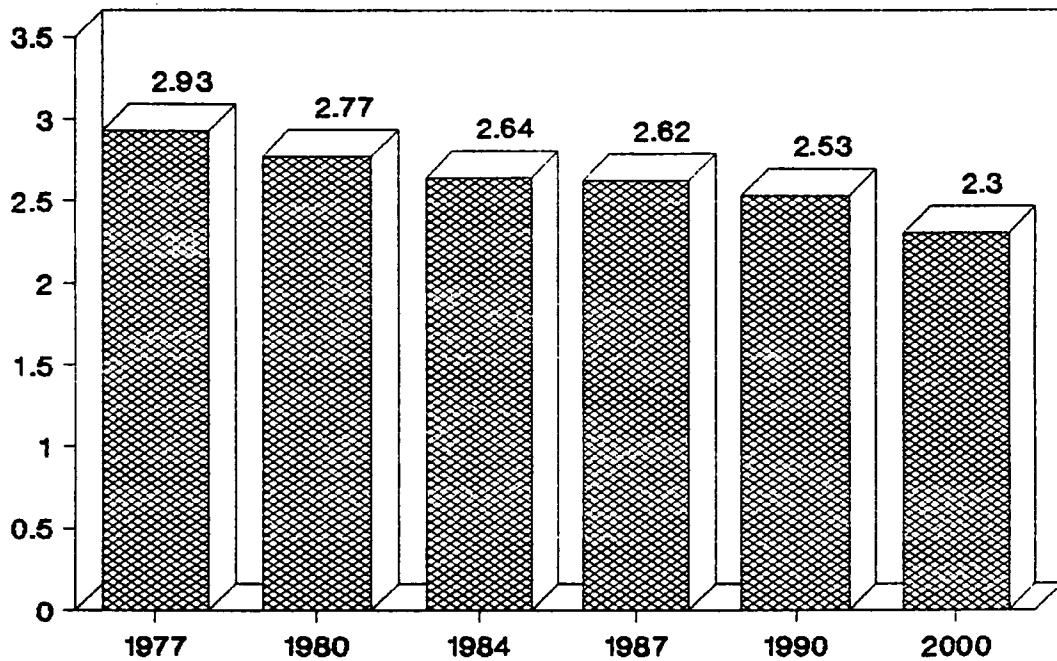
Montgomery County Population by Age Distribution
Selected Years 1985 to 2010

Year	AGE						Total
	0 - 4	5 - 19	20 - 34	35 - 49	50 - 64	65+	
1985	40,581	126,359	148,531	140,942	101,541	64,447	621,401
1990	51,222	141,107	174,163	161,458	99,765	81,685	709,390
1995	53,897	155,527	179,722	172,902	103,095	89,257	754,400
2000	54,217	165,551	180,328	176,929	110,909	91,464	779,398
2005	53,976	169,912	182,273	180,515	118,218	94,505	799,399
2010	53,736	171,578	183,395	181,670	124,757	99,263	814,399

Source: Montgomery County Planning Board

CHART 7

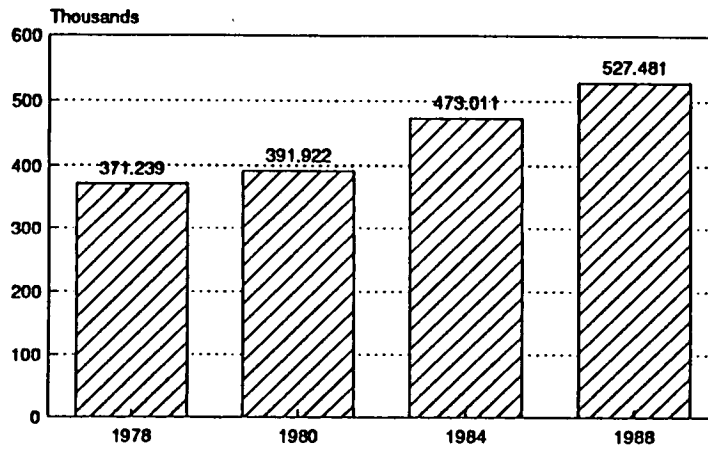
**NUMBER OF PERSONS PER HOUSEHOLD
MONTGOMERY COUNTY 1977-2000**



Source: Montgomery Planning Board
Trends and Forecasts, 1988

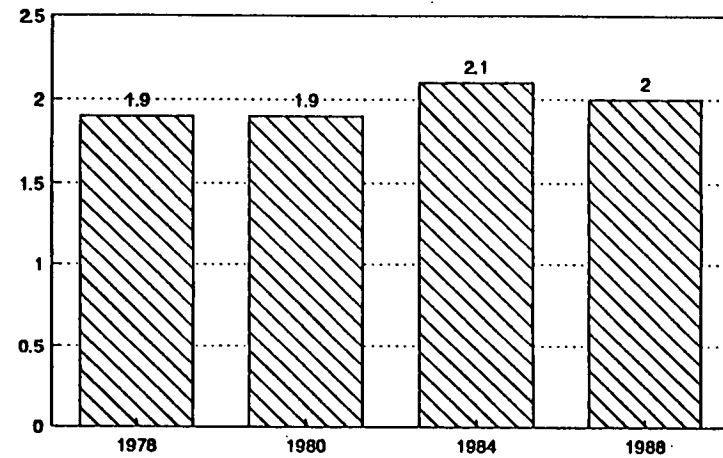
CHART 8

MOTOR VEHICLE REGISTRATIONS MONTGOMERY COUNTY 1978, 1980, 1984, 1988



Source: MD. Dept of Transportation

AUTOMOBILES PER HOUSEHOLD MONTGOMERY COUNTY 1978, 1980, 1984, 1988



Source: MD. Dept of Transportation

TABLE 10

Actual and Budgeted County Transportation Expenditures
for Roads and Bridges
FY 1980 - 1989

Fiscal Year	Actual Expenditures	Budgeted Expenditures	Actual as Percent of Budgeted
1980	\$ 6,508,264	\$11,428,000	56.9%
1981	12,414,602	27,307,000	45.5
1982	8,806,617	19,596,000	44.9
1983	12,841,669	24,417,000	52.6
1984	14,918,218	32,906,000	45.3
1985	29,556,438	37,937,000	77.9
1986	26,799,723	41,931,000	63.9
1987	47,708,976	59,158,000	80.6
1988	48,197,716	51,800,000	93.0
1989	55,484,101	56,665,000	97.9

Source: Montgomery County Department of Transportation

TABLE 11
Maintenance Expenditures Per Road Mile
Montgomery County
FY 1980 - 1989

Fiscal Year	Expenditure	Road Miles	Expenditures Per Mile
1980	\$ 8,482,409	1,653	\$5,131
1981	8,997,432	1,673	5,378
1982	9,313,105	1,693	5,500
1983	9,725,757	1,721	5,651
1984	11,265,019	1,750	6,437
1985	11,504,112	1,775	6,481
1986	12,223,325	1,800	6,790
1987	12,441,430	1,835	6,780
1988	12,623,850	1,870	6,750
1989	13,945,676	1,917	7,274

Source: Montgomery County Department of Transportation

TABLE 12

STATE AND COUNTY EXPENDITURES ON STATE CONSTRUCTION PROGRAM
FOR MONTGOMERY COUNTY
FISCAL YEARS 1985 - 1994

EXPENDITURES (\$000)

CATEGORY AND JURISDICTION	Actual FY 85	Actual FY 86	Actual FY 87	Actual FY 88	Est. FY 89	Est. FY 90	Est. FY 91	Est. FY 92	Est. FY 93	Est. FY 94
<u>HIGHWAYS</u>										
State	40,618	51,444	57,921	132,449	126,159	85,780	60,204	66,195	42,884	36,929
County	<u>6,069</u>	<u>5,835</u>	<u>8,359</u>	<u>6,336</u>	<u>7,533</u>	<u>11,864</u>	<u>15,837</u>	<u>25,315</u>	<u>26,101</u>	<u>13,583</u>
Total	46,687	57,279	66,280	138,785	133,692	97,644	76,041	91,510	68,985	50,512
<u>TRANSIT</u>										
State	N/A	N/A	23,255	6,351	8,644	10,844	10,825	10,825	10,825	10,825
County	N/A	N/A	<u>237</u>	<u>3,783</u>	<u>874</u>	<u>340</u>	<u>275</u>	<u>275</u>	<u>275</u>	<u>275</u>
Total	N/A	N/A	23,492	10,134	9,518	11,184	11,100	11,100	11,100	11,100
<u>TOTAL</u>										
State	40,618	51,444	81,176	138,800	134,803	96,624	71,029	77,020	53,709	47,754
County	<u>6,069</u>	<u>5,835</u>	<u>8,596</u>	<u>10,119</u>	<u>8,407</u>	<u>12,204</u>	<u>16,112</u>	<u>25,590</u>	<u>26,376</u>	<u>13,858</u>
Total	46,687	57,279	89,772	148,919	143,210	108,828	87,141	102,610	80,085	61,612

Sources: State Consolidated Transportation Programs (MDOT),
County Approved and Adopted Capital Improvements Programs (MCOMB)

TABLE 13

CAPITAL BUDGET FUND APPROPRIATIONS AND FUNDING SOURCES AND EXPENDITURES/ENCUMBRANCES
FY 1971 - FY 1990
MONTGOMERY COUNTY PUBLIC SCHOOLS

FISCAL YEAR	APPROPRIATION	COUNTY APPROPRIATION	PERCENT COUNTY	STATE APPROPRIATION	PERCENT STATE	EXPENDITURES/ ENCUMBRANCES
1971	\$ 24,536,381	\$ 16,575,266	67.55%	\$ 7,961,115	32.45%	\$24,542,527
1972	16,389,174	4,114,053	25.10	12,275,121	74.90	17,380,277
1973	27,068,000	3,844,000	14.20	23,224,000	85.80	13,564,972
1974	31,860,000	4,575,000	14.36	27,285,000	85.64	21,892,881
1975	33,073,000	9,878,000	29.87	23,195,000	70.13	32,877,697
1976	23,572,000	9,383,000	39.81	14,189,000	60.19	19,202,832
1977	7,148,000	2,336,000	32.68	4,812,000	67.32	32,572,036
1978	9,914,000	3,403,000	34.33	6,511,000	65.67	18,648,333
1979	7,133,000	1,975,000	27.69	5,158,000	72.31	9,461,199
1980	13,298,000	11,409,000	85.79	1,889,000	14.21	11,777,005
1981	7,634,000	476,000	6.24	7,158,000	93.76	12,333,844
1982	18,450,000	8,159,000	44.22	10,291,000	55.78	11,661,320
1983	7,671,000	6,493,000	84.64	1,178,000	15.36	17,061,692
1984	12,064,000	9,068,000	75.17	2,996,000	24.83	12,778,352
1985	32,213,000	28,787,000	89.36	3,426,000	10.64	31,607,705
1986	27,123,000	20,417,000	75.28	6,706,000	24.72	24,841,510
1987	100,110,382	88,578,382	88.48	11,532,000	11.52	96,977,316
1988	78,856,000	71,120,000	90.18	7,565,000	9.59	84,077,002
1989	60,354,000	51,925,000	86.03	8,700,000	14.41	69,517,564
1990	83,718,000	70,545,000	84.27	13,173,000	15.73	

SOURCE: REQUESTED FY 91 CAPITAL BUDGET AND THE FY 91 TO FY 96 CAPITAL IMPROVEMENTS PROGRAM, MCPS.

SOURCES: Annual Financial Reports FY 1978 - FY 1980,
Comprehensive Annual Financial Report FY 1981 - FY 1982,
and Component Unit Financial Report FY 1983 - FY 1989.

Table prepared by Office of Management and Budget, January 1990.

TABLE 14

MONTGOMERY COUNTY PUBLIC SCHOOLS EXPENDITURES
(INCLUDES ENTERPRISE FUNDS)
FISCAL YEARS 1979 to 1990

Fiscal Year	Actual Expenditure \$ Million	Real Expenditure \$ Million	Real Expenditure Per Pupil
1978	254.3	521.8	4,659
1979	269.2	513.1	4,776
1980	284.0	485.5	4,742
1981	310.3	473.4	4,790
1982	331.5	467.8	4,894
1983	351.9	471.5	5,097
1984	371.0	470.9	5,174
1985	396.5	485.0	5,289
1986	436.9	509.5	5,488
1987	475.9	545.0	5,768
1988	519.7	571.1	5,932
1989 Est.	578.3	611.8	6,210
1990 Bud.	643.5	643.5	6,291
Percent Change:			
FY78-90	153.1%	23.3%	35.0%
Annual	8.0%	1.8%	2.6%
FY78-84	45.9%	-9.8%	11.1%
Annual	6.5%	-1.7%	1.8%
FY84-90	73.5%	36.7%	21.6%
Annual	9.6%	5.3%	3.3%

Source: Montgomery County Planning Board,
Trends and Forecasts, July 1989

TABLE 15

CONSUMER PRICE INDEX, COUNTY POPULATION
AND MONTGOMERY COUNTY PUBLIC SCHOOLS (MCPS) ENROLLMENT
FISCAL YEARS 1978 to 1990

Fiscal Year	CPI-U (July)	Population (January)	Households (January)	MCPS Enrollment (September)	Enrollment As % of Population
1978	48.7%	579,100	198,800	112,010	19.3%
1979	52.5%	578,300	202,000	107,430	18.6%
1980	58.5%	579,053	207,195	102,380	17.7%
1981	65.5%	582,500	211,800	98,843	17.0%
1982	70.9%	586,500	216,800	95,537	16.3%
1983	74.6%	590,500	220,800	92,515	15.7%
1984	78.8%	610,000	227,500	91,024	14.9%
1985	81.8%	628,000	235,850	91,704	14.6%
1986	85.7%	645,000	245,400	92,889	14.4%
1987	87.3%	680,000	255,350	94,496	13.9%
1988	91.0%	697,000	265,000	96,269	13.8%
1989	94.5%	706,000	273,000	98,519	14.0%
1990	100.0%	715,000	280,000	102,303	14.3%
% Change:					
FY78-90	105.2%	23.5%	40.8%	-8.7%	
Annual	6.2%	1.8%	2.9%	-0.8%	
FY78-84	61.7%	5.3%	14.4%	-18.7%	
Annual	8.3%	0.9%	2.3%	-3.4%	
FY84-90	26.9%	17.2%	23.1%	12.4%	
Annual	4.1%	2.7%	3.5%	2.0%	

Source: Montgomery County Planning Board,
Trends and Forecasts, July 1989

TABLE 16

APPROVED CAPITAL APPROPRIATIONS ON MAY 15 FOR MCPS FYs 1985-1990 NEW SCHOOLS,
MODERNIZATIONS/ADDITIONS, SYSTEMWIDE MAINTENANCE AND SUPPORT

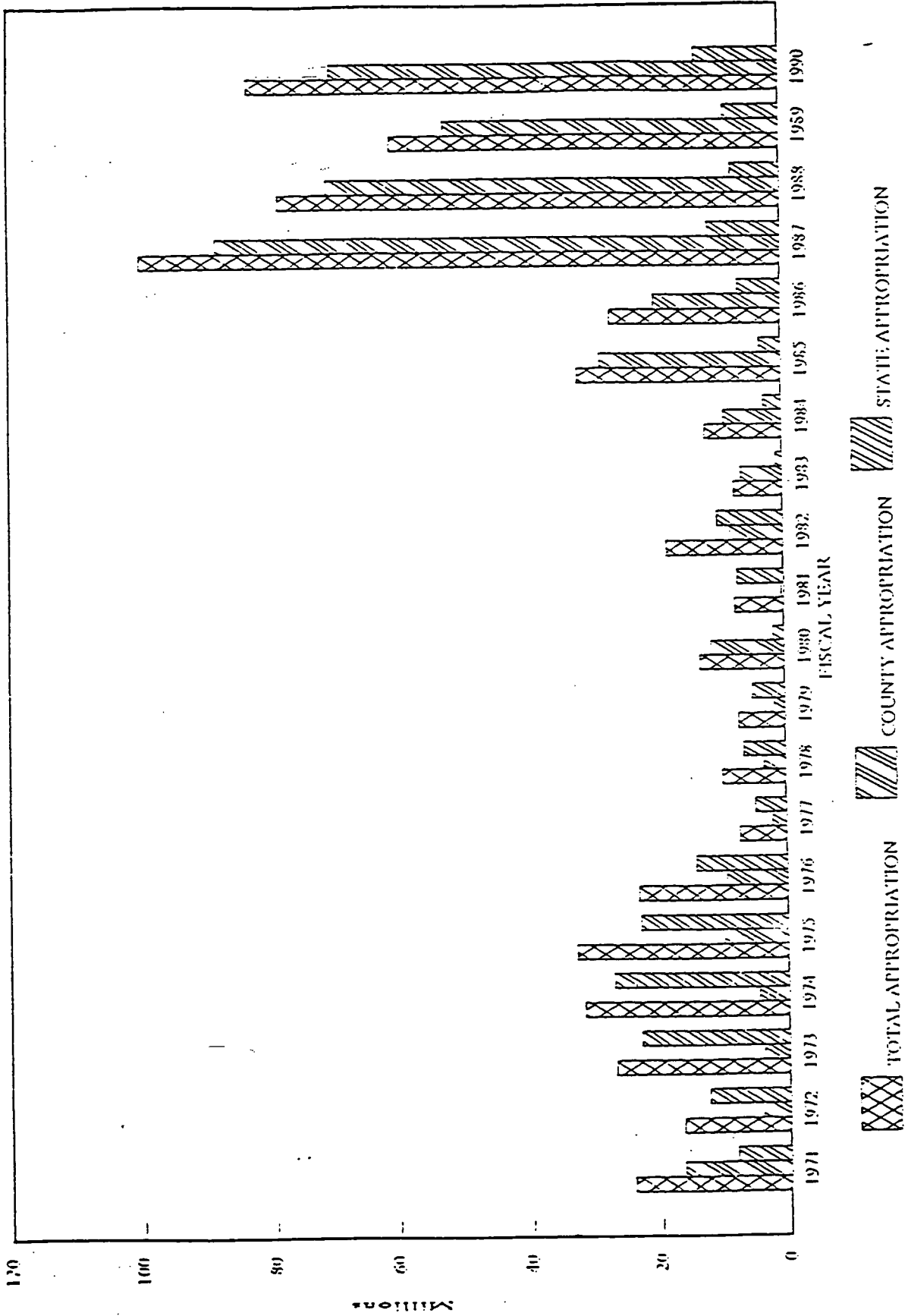
FISCAL YEARS	APPROPRIATION	NEW SCHOOLS/ AND LAND ACQUISITION	PERCENT OF TOTAL	MODERNIZATIONS/ ADDITIONS AUDITORIUMS/ AND GYMNASIUMS	PERCENT OF TOTAL	MAINTENANCE/ COUNTYWIDE SUPPORT	PERCENT OF TOTAL
1985	May 15, 1984						
	\$ 30,349,000	\$ 9,733,000	32.07%	\$ 12,936,000	42.62%	\$ 7,680,000	25.31%
1986	May 14, 1985						
	\$ 23,008,000	\$ 7,407,000	32.19%	\$ 4,628,000	20.11%	\$10,973,000	47.69%
1987	May 13, 1986						
	\$ 96,743,000	\$ 59,655,000	61.66%	\$ 27,095,000	28.01%	\$ 9,993,000	10.33%
1988	May 11, 1987						
	\$ 78,685,000	\$ 63,629,000	80.87%	\$ 5,323,000	6.76%	\$ 9,733,000	12.37%
1989	May 11, 1988						
	\$ 60,354,000	\$ 24,222,000	40.13%	\$ 24,943,000	41.33%	\$11,189,000	18.54%
1990	May 15, 1989						
	\$ 83,718,000	\$ 10,564,000	12.62%	\$ 53,912,000	64.40%	\$19,242,000	22.98%
1985-1990	\$372,857,000	\$175,210,000	46.99%	\$128,837,000	34.55%	\$68,810,000	18.45%

SOURCES: APPROVED APPROPRIATIONS: OPERATING AND CAPITAL BUDGETS AND APPROVED CAPITAL IMPROVEMENTS
PROGRAM FY 1985-FY 1990.

Table prepared by Office of Management and Budget January 1990.

CHART 9

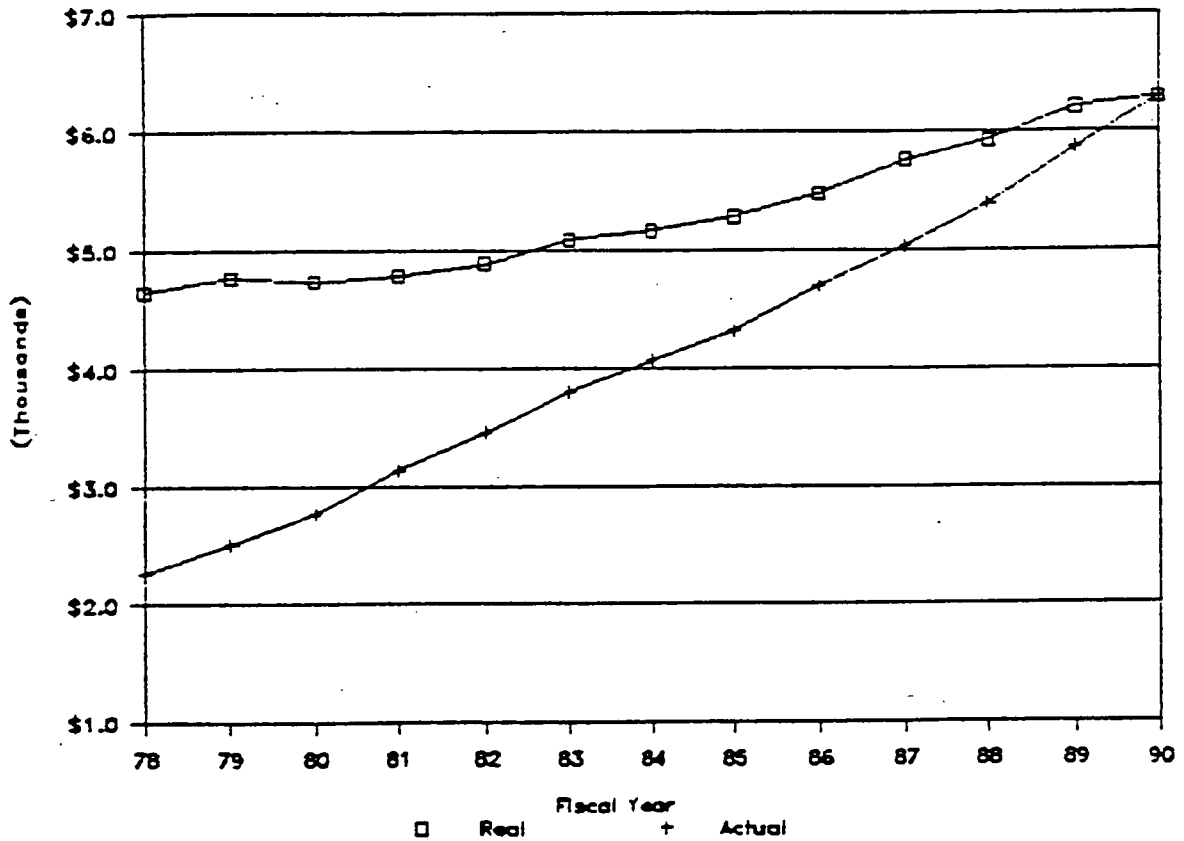
SCHOOLS CAPITAL BUDGET FUND APPROPRIATIONS AND FUNDING SOURCES FY 1971 -- FY 1990 MCTS



Source: Montgomery County Public Schools

CHART 10

REAL AND ACTUAL EXPENDITURE PER PUPIL



Source: Montgomery County Planning Board,
Trends and Forecasts, July 1989

TABLE 17

County Contribution to Operating Costs for Montgomery College
(selected years)

	County	Total Budget	% County
1978	8,172,000	23,624,000	34.59
1988	23,221,000	51,887,000	44.75
1990	27,749,000	64,389,000	43.09

Source: County Council Funding Resolutions

County Contribution to CIP for Montgomery College
(selected years)

	County	Total Budget	% County
1978	702,000	1,174,000	59.79
1988	2,893,000	3,255,000	88.87
1990	2,255,000	2,715,000	83.05

Source: County Council Funding Resolutions

TABLE 18
COUNTY HIGHER EDUCATION ENROLLMENTS

<u>Institution</u>	<u>Graduate</u>			
	Fall 1986	Fall 1987	Fall 1988	Fall 1989
George Washington University				26
Hood University	50	113	27	78
American University				17
John Hopkins University	216	297	919	1,553
University of Maryland	<u>192</u>	<u>248</u>	<u>562</u>	<u>609</u>
TOTAL	458	658	1,508	2,283

<u>Institution</u>	<u>Undergraduate</u>			
	Fall 1986	Fall 1987	Fall 1988	Fall 1989
Columbia Union College	690	829	857	889
University of Maryland	917	847	1,246	1,207
American University				38
Montgomery College		<u>19,491</u>	<u>21,571</u>	<u>22,177</u>
TOTAL		21,167	23,674	24,311

Source: Montgomery County High Technology Council, Inc.
January 1990

TABLE 19

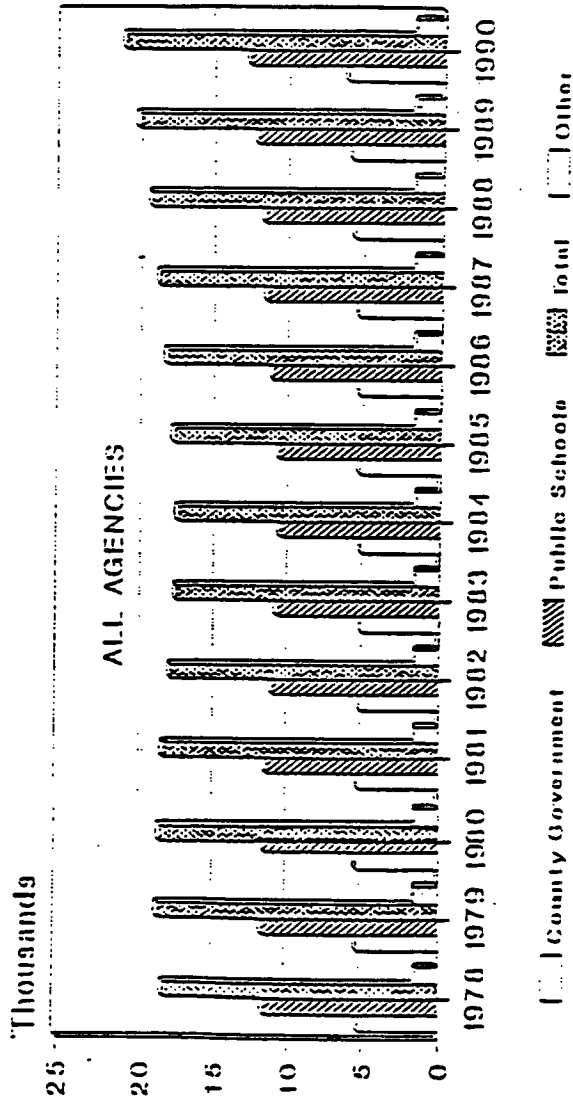
TOTAL COUNTY GOVERNMENT EMPLOYMENT
FY 1978-FY 1990
(IN WORKYEARS)

	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
County Government	5,243	5,395	5,454	5,353	5,271	5,233	5,291	5,385	5,428	5,501	5,814	6,077	6,388
Public Schools	11,696	11,872	11,744	11,616	11,257	10,926	10,757	10,905	11,316	11,693	11,908	12,413	12,978
Planning Board	682	723	707	727	742	735	739	765	808	844	881	890	921
College	869	910	918	918	918	918	925	938	943	952	1,004	1,005	1,005
Total	18,490	18,900	18,823	18,614	18,188	17,812	17,712	17,993	18,495	18,990	19,607	20,385	21,292

Source: Task Force to Examine Future Budget Needs

CHART 11

COMPARISON OF GOVERNMENT EMPLOYMENT FY 1978-FY 1990 (IN WORKYEARS)



Source: Task Force to Examine Future Budget Needs
Note: Workyears is to adjust for variation in hours worked and months worked

TABLE 20

MONTGOMERY COUNTY OPERATING BUDGET - FISCAL YEAR 1978 - 1990

Fiscal Year	All Agen Total	CGvt Total	Social Services	All Prgms Health & Social	H&S CGvt	Police	Fire & Rescue	Fire Depts	All Prgms Public Safety	PS/CGVT	Trans	Trans/CGvt
1978	517.5	202.7	6.2	31.3	15.4%	23.1	1.6	17.7	47.2	23.3%	33.6	16.6%
1979	563.2	227.4	6.5	34.1	15.0%	25.2	1.9	19.4	52.1	22.9%	39.0	17.2%
1980	604.9	248.8	6.4	31.3	12.6%	26.8	2.0	21.7	56.6	22.8%	53.5	21.5%
1981	666.3	300.0	8.5	36.1	12.0%	38.8	3.0	23.1	73.6	24.5%	66.8	22.3%
1982	716.0	302.1	7.9	36.9	12.2%	43.9	2.7	26.9	83.5	27.6%	72.2	23.9%
1983	799.2	327.5	8.3	38.8	11.8%	47.2	2.9	29.1	91.3	27.9%	76.6	23.4%
1984	865.9	351.6	9.8	39.7	11.3%	49.3	3.7	30.7	96.4	27.4%	83.5	23.8%
1985	944.9	379.6	11.1	42.9	11.3%	50.8	3.7	32.7	101.1	26.6%	93.8	24.7%
1986	1106.6	420.1	10.7	45.7	10.9%	56.3	3.8	35.5	110.8	26.4%	110.8	26.4%
1987	1200.3	442.2	11.0	50.7	11.5%	59.8	4.2	37.1	117.7	26.6%	115.7	26.2%
1988	1317.7	482.5	12.0	57.9	12.0%	63.7	5.4	41.8	129.4	26.8%	133.7	27.7%
1989												
1990	1546.6							51.7				
				Health ADVMHS Family Res. Human Relations Comm Women Social Svcs					Police F&RS Fire Depts. Corrections F&R Comm Sheriff Consumer Affairs	Trans Parking Equipot Mass Transit Suburban Dist Urban Dists		

Source: Montgomery County Office of Management and Budget, January 1990

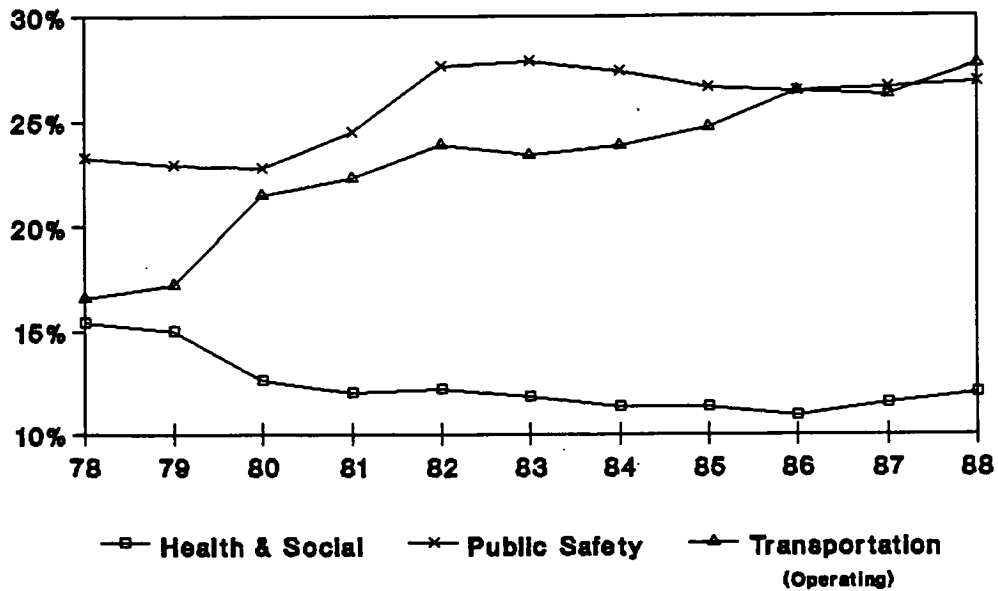
TABLE 21

MONTGOMERY COUNTY RESOURCE COMMITMENTS FOR SUBSTANCE ABUSE

AGENCY/PROGRAM ENFORCEMENT		FY 89 BUDGET	%	RECOMMENDED FY 90 BUDGET	%
Circuit Court:	Adjudication of Court Cases	\$ 612,000		\$ 651,780	
Park Police:	Undercover Unit/Enforcement of Drug and Alcohol Laws	1,000,000		1,065,000	
Police Dept:	Special Investigation Division/Enforcement of Drug and Alcohol Laws by Patrol	11,662,720		12,837,190	
State's Attorney:	Prosecution of Drug and Alcohol Laws and Special Investigations	<u>625,000</u>		<u>799,050</u>	
SUBTOTAL		13,899,720	63.5%	15,353,020	61.2%
TREATMENT					
Addiction, Victims and Mental Health Services:	Evaluation/Assessment/Treatment For Adults, Adolescents, and Children Group Homes/PACT/TASC	5,026,950		6,182,400	
Social Services:	Foster Care for Children of Parents Involved with Substance Abuse	341,200		363,430	
MCPS:	Phoenix House for Adolescents with Addiction Problems	<u>300,000</u>		<u>319,500</u>	
SUBTOTAL		5,668,150	25.9%	6,865,330	27.4%
PREVENTION					
Family Resources:	Coordination of Private/Public Sector Prevention Efforts/CARE Center/Business Against Drugs/Youth Service Centers/Project Family Outreach	760,800		858,750	
Health Department:	School health services AIDS prevention/Education Minority Health Enhancements	440,500		546,640	
HOC:	Security Prevention	0		74,240	
MCPS:	School-Wide Curriculum/School Community Action Team/Drug Free School Efforts	304,000		318,440	
Park Police:	Education/Presentations to the Community	11,400		12,140	
Police Dept:	DARE (Drug & Alcohol Resistance Education)	448,500		477,650	
Recreation Dept:	Outreach Services to High Risk Youth (11-16 yrs.)	313,000		368,000	
CJCC-DWI Coordination:	Coordinates DWI and DUI Activities	54,780		58,340	
Personnel:	Training for Policy on Substance Abuse	0		20,000	
SUBTOTAL		<u>2,332,980</u>	<u>10.07%</u>	<u>2,853,500</u>	<u>11.04%</u>
TOTAL SUBSTANCE ABUSE EFFORT		\$ 21,900,850	100.00%	\$25,071,850	100.00%
Includes all sources of funding - County, State, and Federal					

Source: Montgomery County Government, County Executive's Recommended FY 90 Budget, March 1989

PROGRAM BUDGETS AS PERCENT OF TOTAL COUNTY GOVERNMENT



Source: Montgomery County Office of Management & Budget

APPENDIX A

APPENDIX A

PLANNING ASSUMPTIONS FROM TRENDS AND PROJECTIONS

<u>TREND ELEMENT</u>	<u>PUBLIC SERVICE PROGRAM:</u>	<u>GEOGRAPHIC IMPACT AREAS</u>	<u>IMPACTS FROM DATA PROJECTIONS</u>	
	<u>PLANNING ASSUMPTION(S)</u>		<u>PROGRAM IMPACT AREAS</u>	<u>PUBLIC SERVICES PROGRAM IMPACTS</u>
		SOME AREAS MOST LIKELY TO FEEL EFFECTS OF CHANGE:	EXAMPLES OF PROGRAMS LIKELY TO BE AFFECTED IF ASSUMPTIONS VALID:	SOME SPECIFIC PUBLIC SERVICE PROGRAMS OR FACILITIES LIKELY TO BE AFFECTED DURING THE NEXT SIX YEARS: (Examples Only)
<u>POPULATION</u> • Overall	New residents will increase the popula- tion by 9 -12,000 each year. Intermediate Projections: 1985 - 620,000 (HCPB/COG, Dec. 1988) 1990 - 715,000 1995 - 760,000	I-270, Rt. 29 Corridors; Gaithersburg, Germantown	Health, Mental Health, Family Resources, Day Care Recreation, Libraries Traffic Control, Transportation, Mass Transit Public Safety, Facilities Uniformed Officers, Construction Codes Enforcement Corrections, Facilities	Opening of Government Services Center for multi-agency service provision in Germantown area. Plans for and components for a similar center to provide services in Rt. 29 corridor area. Traffic alleviation measures, including road construction, fringe parking in new development areas. Additional bus service. New/expanded police and fire stations, realigning service area boundaries for optimum response. Staffing levels for police, fire, corr- ections, construction inspection/review.
• Median Age	Median age will stabilize at about 34 years throughout the next decade.		Parks, Recreation	Expansion of detention/correctional facil- ities and programs, staffing. Parks and recreation programs; hours of service to meet needs of continuing large working-age population.
• 0-4	Annual county births will increase from 9,944 in 1985 to 11,900 in 1990, and to 12,300 by 1995. (Intermediate HCPB projections).	New subdivisions, particularly up- County, Route 29 corridor	Child-care, Social Services, Family Resources	Needs of young families, working spouses and single parents with children in this age group.
• 5-19	This school-age population group will in- crease from 140,000 in 1990 to 155,500 in 1995. HCPB enrollment projections increase from 102,750 in 1990 to 128,000 in 1995. 30,439 (23.6%) were in private schools in 1988.	Eastern county, mid-County, I-270 corridor.	Education, Recreation Health Law enforcement	School capacity for developing areas. Location of recreational programs to ensure access by this age group.

DATA NOTE: Demographic and other data for this section are taken from Montgomery County Planning Department (M-PCPD) publications and census updates, from HUD surveys, and from reports of County Government departments.

APPENDIX A (continued)

<u>TREND ELEMENT</u>	<u>PLANNING ASSUMPTION(S)</u>	<u>GEOGRAPHIC IMPACT AREAS</u>	<u>PROGRAM IMPACT AREAS</u>	<u>PUBLIC SERVICES PROGRAM IMPACTS</u>
20-34	Children of "Baby-Boomers" are in this age group. It will increase from 174,000 to nearly 180,000 by 1995, and constitutes 25% of the total county population.	Gaithersburg, Germantown, Olney, Potomac	Education, Economic development Education Law enforcement	Facilities and programs for post-high school age group, either continuing its education or entering job market. Expansion of technical training and post-graduate opportunities. Continuing rigorous efforts against substance abuse.
35-64	275,000, or 36.6% of County population will be in this age group by 1995.			Advanced/professional education offerings; housing choices; cultural and recreational opportunities.
65 and Over	The elderly proportion of the population will increase from 10.4% in 1987 to 11.8% in 1995. There are expected to be 34,300 County residents 75 years of age and older by 1995, constituting 4.5% of population.	Silver Spring, Kensington, Bethesda, Rockville, Potomac	All Departments and Agencies.	Appropriate public programs for elderly health and nutrition; housing; recreation and social interaction; mobility and transportation; personal safety; and income/financial security. Planning for emerging increase in numbers and needs of oldest residents and "frail elderly".
Minorities	Hispanic and Asian populations will continue to increase as a proportion of County total, based on census data, client intake at government service centers, and recent surveys. Identified minorities and ethnic populations now constitute 6% of population.	Silver Spring, Kensington Wheaton, Bethesda	All departments: Human services, Govt. Service Centers Schools, literacy programs Human services providers, Housing & Community Development, Uniformed officers Education, Recreation, Libraries Consumer Affairs	Inter-departmental programs and multi-service center offerings to help ease process of assimilation, access to programs, positive interaction between groups. Language and cultural assimilation. Recruiting of ethnic minorities; use of interpreters to provide information, to help with access to services and assist in dealing with victims of crime and those otherwise involved with the law. Provision of educational activities, recreation and library programs of all kind; and at locations appropriate for ethnic and language minorities. Protection of new immigrants and non-English speaking persons from consumer fraud.

APPENDIX A (continued)

<u>TREND ELEMENT</u>	<u>PLANNING ASSUMPTION(S)</u>	<u>GEOGRAPHIC IMPACT AREAS</u>	<u>PROGRAM IMPACT AREAS</u>	<u>PUBLIC SERVICES PROGRAM IMPACTS</u>
<u>HOUSEHOLDS</u>				
Size	The average number of persons per household continues to decrease, from 2.6 in 1985 to 2.4 in 1995. Young marrieds, empty-nesters and older residents living independently account for the trend.	Both new and maturing residential areas	Housing, Community Development	Planning for needs, locations and possible public programs to ensure availability of adequate small unit housing (apartments, rentals) to accommodate smaller family units.
Numbers	Intermediate Projections: 1985 - 235,900 1990 - 280,000 1995 - 312,000	Newly developing areas		
Heads of Households	Households headed by single parents, especially females, are increasing.		Day Care Housing (HOC, DHCD)	Anticipated increased needs for day-care (both child and dependent adult), and other supportive programs. Programs, incentives for low/moderate income housing production.
<u>HOUSING AND DEVELOPMENT</u>				
Residential	The high level of housing completions (10,364 in 1986) is expected to moderate, but another upturn is anticipated during the 1990's. Intermediate projections are for 6,800 annually over the next six years. Land costs, mortgage rates, and federal tax law will be major determinants of both moderate priced and rental unit production.	I-270, Rt. 29, Potomac, Olney, Damascus	Construction Codes Enforcement, Housing, Community Development	Timely plans review, other regulatory actions to meet peak demands without overexpansion of government organization.
	Older downcounty neighborhoods are now recycling with young homemakers, and are also subject to pressures for non-residential uses.	Bethesda, Wheaton, Silver Spring, Rockville	Government Svc. Centers, Community development, Schools, Facilities, Recreation, Parks	Impacts on neighborhoods in transition. Adequacy of facilities for population, demographic changes.
Housing costs	Prices of existing and new housing units are currently seeing high rates of increase because of an active homesale market and easier financing. Costs of new/in-fill housing are reflecting upscale market demand. Housing costs are expected to increase with rising interest rates and specifically for rental and lower-priced units, with increasing demand.		Consumer Affairs, Housing Agencies, Regulatory agencies Housing Opportunities	New home warranties, similar protections for home owners' investment. Protections for purchasers of resale homes. Initiatives to lower costs or otherwise enhance opportunity for first-time and low/moderate income home ownership.

APPENDIX A (continued)

<u>TREND ELEMENT</u>	<u>PLANNING ASSUMPTION(S)</u>	<u>GEOGRAPHIC IMPACT AREAS</u>	<u>PROGRAM IMPACT AREAS</u>	<u>PUBLIC SERVICES PROGRAM IMPACTS</u>
Nonresidential	Nonresidential construction has added more than 5.4 million sq. ft. annually between 1983-87. While declining from record highs, it continues with a diverse mix of office, retail, warehouse/retail, research and other facilities. Biomedical and other science/technology related industries will continue to expand.	N. Bethesda Gaithersburg Germantown I-270 Corridor Rockville Shady Grove Silver Spring	Transportation access, CBD development, Urban Districts, Day-care near jobs, Parks and recreation, Community development Economic development	Transit alternatives; adequate parking; Use of traffic management districts; Public/private cooperative efforts augment transportation and other workday services for employees. Integrity and maintenance of adjacent residential neighborhoods. Retention of older, smaller local businesses and services.
<u>EMPLOYMENT</u>				
Overall	Job growth (at place employment) within the County will continue increase, but at rates less than annual peak of 7.3% in 1985. Six-year projections are for 20,300 new jobs annually, with over 500,000 jobs by 1995.	I-270 (Gaithersburg), Silver Spring, Bethesda	Transportation, Public Transit Education, training Business retention Economic Development	Commuter traffic alleviation measures including mass transit, ridesharing, new roadways, access to parking. Availability of suitable employees for existing and future job market. Preservation of existing businesses and employment base as new development continues.
Women in the Workplace	The percentage of women in the workplace has increased from an already high level of over 61% in 1984 to 64.7% in 1987. 80% of County women between ages of 25-44 are employed full or part-time. While this high percentage is not expected to grow much further, two-worker households will continue to be the norm.	Countywide	Uniformed Officers Social Services, Health Day Care, Facilities, Schools Education, Commission (for Women, Personnel)	Increasing numbers of unoccupied homes during working day may be exposed to theft or fire. Program outreach into new sectors for Volunteers, such as retired persons. Support to private sector provision of day care through use of portable and modular rooms on public school property. Policies, training, other measures to reduce sexual harassment and discrimination
In-Place Employment	While 58.7% of employed County residents work at jobs within the County, this percentage is less than in 1984. It should increase as new jobs are being created in the County's middle and northern areas and in revitalized CBDs downCounty.	I-270 corridor, N. Bethesda, Shady Grove, Gaithersburg, Germantown, Silver Spring	Transit Recreation, parks	Continued monitoring of commuting patterns. Provide major employment areas with convenient access and amenities such as recreational facilities.

APPENDIX A (continued)

<u>TREND ELEMENT</u>	<u>PLANNING ASSUMPTION(S)</u>	<u>IMPACT AREAS</u>	<u>IMPACT AREAS</u>	<u>PUBLIC SERVICES PROGRAM IMPACTS</u>
Types of Employment	Office jobs will continue to dominate the workforce, but largest growth areas will be in service industries. County can expect continued job growth in hi-tech and bio-technology industries as new research/educational institutions provide highly trained workforce. Service jobs will outnumber available workers in County.		Education Special Education, Counseling	Needs and opportunities for technical and paraprofessional training. Mainstreaming of special education graduates into workforce. Employment opportunities for elderly/retirees, as well as for persons with limited skills, abilities.
Private/Government Relations	Private industry employment is increasing, thereby reducing the proportion of government employees in the workforce. A high proportion of all employment will remain related to government-oriented science, medicine, and defense industries.		Economic Development	Continuing program efforts to maintain and build a diverse economic base not overly dependent on Federal policy or major economic shifts.
Unemployment	The jobless rate will remain between 2-4%, which is below the state and national rates. The high employment rate results in job-filling difficulties in the service/food and manufacturing sectors.		Social Services, Family Resources Economic Development	Program efforts toward optimal employment of employable persons through Family Independence Project. Job training and opportunities for deinstitutionalized persons, part-time and older workers.
<u>LITERACY</u>				
Illiteracy	Some evidence suggests that illiteracy may be rising in areas where new immigrant populations are concentrated.	Silver Spring, Kensington, Wheaton	Consumer Education Libraries Educational system: Public schools, Community College, Volunteer tutors	Consumer education programs to reach this group. Support for Literacy Council outreach efforts; volunteer tutors. Use of government centers for English classes. Expanded assimilation programs such as English for Speakers of Other Languages (ESOL).
High School completion	County rates will continue to exceed state and national.			
Adult Education	Enrollments in ESOL, Read and Special Ed are steadily increasing.			
Adult Education	Enrollments in ESOL, Reading and Special Ed are steadily increasing.			

APPENDIX A (continued)

<u>TREND ELEMENT</u>	<u>PLANNING ASSUMPTION(S)</u>	<u>GEOGRAPHIC IMPACT AREAS</u>	<u>PROGRAM IMPACT AREAS</u>	<u>PUBLIC SERVICES PROGRAM IMPACTS</u>
<u>AFFLUENCE</u>				
Household Income	Per capita \$29,830 (1986), increasing due to high employment, educational levels, and professional/high-tech job salaries; expected to continue at lower growth rates. Nearly 10,000 households had less than \$15,000.			
Median incomes (1986)	Home-owners: \$55,861 Renters: \$28,745 Age 35-54: \$56,871 Age 65: \$32,605 Over 8,000 elderly householders (20.8%) had incomes less than \$15,000.	Multi-family housing areas	Housing, Social services	Disparity between highest, lowest incomes. housing availability for lowest-paid, oldest.
Low income	In 1986, an estimated 4.2% (20,000) County households had less than the federal poverty level of \$11,650 for a family of four. 11.1% (73,000) had less than \$21,550, and eligible as "poor" for grant assistance programs.		Housing, Health, Family Resources, Job training, Social services Community Action	Information programs and assistance toward income maintenance of elderly. Programs for family independence from poverty, welfare. Sliding fee scales. Health and Neighborhood Development.
Socially dependent persons	Effects of job displacement should be minimal because of expansion of service economy. Numbers of socially dependent persons may increase from new immigration laws, deinstitutionalization. Numbers of homeless persons will continue to increase each year.		Education, Economic Development, Job placement, Child and adult dependent day care	Assistance and support for dependent persons toward self-sufficiency, job training, employment, and job retention. Availability of and access to day care. Respite care for severely handicapped individuals/families. Emergency shelters for homeless.
<u>PUBLIC SAFETY</u>				
Substance abuse	Availability of drugs will continue as a major problem in the Metro area. Enforcement caseload and arrests will continue to increase (from 1,232 cases and 744 arrests in FY84 to 2,745 cases and 1,646 arrests in FY88.)	Urban areas, suburbs.	Police, Health	Strategies and staffing for drug law enforcement.

APPENDIX A (continued)

<u>TREND ELEMENT</u>	<u>PLANNING ASSUMPTION(S)</u>	<u>GEOGRAPHIC IMPACT AREAS</u>	<u>PROGRAM IMPACT AREAS</u>	<u>PUBLIC SERVICES PROGRAM IMPACTS</u>
Emergency incidents	Dispatches (63,264 in FY80, up from 57,454 in FY86) will continue to increase at rates greater than population.	Social services	Fire & Rescue, Health, AVHH,	Emergency response personnel and equipment; paramedics.
Detention	Average daily population at Detention Center has increased from 442 in FY86 to 674 in FY88, will continue to increase.	Judicial system	Corrections & Rehab. Police	Additional detention facilities.
<u>TRANSPORTATION</u>				
Automobile registrations	The ratio of autos to households increased from 1.85 in 1980 to 1.95 in 1985, and is estimated at over 2 automobiles per household in 1988. In 1990, 67.7% of County population is projected to be operating a motor vehicle. Households with no vehicles remained at 6.5% between 1970 and 1980.		Transportation planning, engineering, maintenance	Road capacity and related construction and maintenance. Parking management and other strategies to more closely control and alleviate congestion impacts. Safe driving education, DWI enforcement.
			Consumer Protection, Regulatory agencies	Expansion of automobile sales, services, other related businesses.
Commuting mode	Private auto accounted for 80% of commuting trips in 1987, and will remain the predominant mode of transportation.		Public/Private efforts	Ridesharing and other alternatives through new organizational structures such as corporate transportation mgt associations.
			Fire, emergency services Police	Equipment, personnel, training to handle fire and emergency medical incidents on congested highways. Peak hour traffic mgt.
Public Transit	Availability and use of public transportation is increasing. There will be increasing dependence on reliable mass transit for traffic movement during peak hours. Increased operating costs of public transit should be anticipated.	Bethesda, North Bethesda, Silver Spring, Rte. 29 Corridor, I-270 Corridor, Damascus	Transportation Libraries	Ride-on bus system routes and service. Expansion/replacement of bus fleet.
				System costs and fare structures. Metro kiosk libraries for mass transit user convenience.

APPENDIX A (continued)

<u>TREND ELEMENT</u>	<u>PLANNING ASSUMPTION(S)</u>	<u>GEOGRAPHIC IMPACT AREAS</u>	<u>PROGRAM IMPACT AREAS</u>	<u>PUBLIC SERVICES PROGRAM IMPACTS</u>
DUI	Drunk driving traffic citations (157,222 in FY88) and arrests (4,825 in FY88) are projected to stabilize as a result of effective enforcement efforts.		Uniformed Officers, Corrections; Addiction, Victim, and Mental Health; Education, Liquor Control	Continued enforcement emphasis against offenders, with required training and alternative service programs. Education for driver responsibility. Increase education regarding driver. Stringent control over liquor sales.
<u>ENVIRONMENTAL</u>				
Open Space	Population increases will generate new demands for recreation areas and preservation of open space in County.	New development areas; Agricultural preserve	Recreation, Parks, Economic Development Parks, Environmental Protection	Park development and programs. Incentives for land preservation easements. Continued programs for retention and control of open space, watersheds, natural areas.
Air Quality	Radon gas will continue to pose potential problems for some residences within the County's geographical area.		Environmental Protection, Health	Monitoring, information and corrective programs to reduce health risks to existing and new homeowners.
Water Quality	Groundwater will be increasingly vulnerable to surface runoff and pollutants from development throughout the Washington metropolitan region.			Monitoring and regulatory control over private water and sewerage systems; point control over source and other pollution.
Solid Waste	The amount of disposable solid waste will increase, from 573,000 tons in 1988 to an estimated 971,000 by 1995. Per capita waste generation is projected to increase from .8 tons a year to 1.2 tons.		Health, Environmental Protection, Park	Waste stream reduction through intensive recycling, alternative yard waste disposal/composting, and other initiatives.
Resource Recovery	Major County facility for Resource Recovery will be on-line by FY93, capable of processing nearly all waste which is burnable and not recycled. Costs of construction and operation of state-of-art system will be reflected in increases in user charges, "tipping fees" but will		Refuse Collection	Expansion of refuse collection districts; equitable allocation of capital, operating costs among users and collection/disposal service delivery agents to ensure sufficient and fair rates for solid waste services.

APPENDIX A (continued)

<u>TREND ELEMENT</u>	<u>PLANNING ASSUMPTION(S)</u>	<u>GEOGRAPHIC IMPACT AREAS</u>	<u>PROGRAM IMPACT AREAS</u>	<u>PUBLIC SERVICES PROGRAM IMPACTS</u>
• Toxic Wastes	Increased amounts of toxic wastes are expected from new industry as well as from residential and agricultural uses.		Health Waste Disposal Programs Regulatory	Required segregation of waste materials. Controlled entry of hazardous materials into waste stream through training, equipment, inspection and recordkeeping. Public information outreach to consumers, householders, businesses; periodic toxic waste cleanups.
<u>HEALTH AND HUMAN SERVICES</u>				
• Disease	HIV infections (AIDS) will continue to increase, at lower rates. Projections are for total of 11,860 HIV infected in County by 1995; for 600-1,200 AIDS cases and for 300-600 deaths. (As of FY88, total of 238 cases and 119 deaths).	Countywide	Health, Education Hospitals, clinics Volunteers	Continued and expanded efforts including health education, testing, clinics. Costs, availability of treatment, care.
• Costs	Costs of health care have generally been rising sharply throughout the decade and are expected to continue rising during the six-year period.		Health, Insurance costs, Elderly	Support initiatives toward catastrophic health insurance. Provide information, program assistance to ensure access. Ensure fee schedule in County clinics meets ability to pay.
• Social Services	Federal Welfare Reform legislation will impact County programs.		Social Services Family Resources	Programs to provide essential care, income security, support family independence.
<u>COUNTY GOVERNMENT</u>				
Population Growth	Additional or expanded programs, services, and facilities will be needed. Demands for accelerated	Particularly up-County, East County	All	Facilities construction, expansion and maintenance; government support functions including personnel, finance, legal. Additional program staffing and operational resources will be required to match increased workload in most program and service areas.
Size of government	Growth in government expenditures for staffing and contractual services is expected. New proposals and needs for contracting out of additional government services are anticipated. Realignment or reallocation priorities and resources will be required.		All Procurement Office	Additional career staffing with contracting, legal, and other special expertise. Program coordination and multi-agency cooperation for effective planning, cost control. Implementation of new Procurement Office as a department-level function of government.

APPENDIX A (continued)

<u>TREND ELEMENTS</u>	<u>PLANNING ASSUMPTION(S)</u>	<u>GEOGRAPHIC IMPACT AREAS</u>	<u>PROGRAM IMPACT AREAS</u>	<u>PUBLIC SERVICES PROGRAM IMPACTS</u>
Space sufficiency for Department/program expansion	Increased space will be required for government programs and services.	Rockville Govt. Center, Service Center locations	Facilities and Services	Government space requirements and management to provide service to new areas and populations. Government service centers and other facilities for government programs and services.
Employee organization Management	More than half the govt's non-managerial employees are union-represented and now bargain for wages, benefits, and working conditions.		Herit System Protection Board; Personnel	Labor relations and Management policies; personnel costs as a result of collective bargaining agreements. Changes in MSPB functions relative to represented employees.
Employee compensation	Retirement options, benefit packages, and employment options may become more varied. Quantitative Evaluation System (QES) methods will be used to improve pay equity among employees.			Higher personnel costs may be incurred as more employees with special skills, expertise, are hired, existing employees are reclassified or legislation such as a proposal to require extended family leave is enacted.
Rising costs of insurance	Increased premium costs suggest more County self-insurance in various coverage areas, or some alternative.		Risk Management; All departments	Self-insurance funding increases for expanded coverage. Costs of insurance inclusions in County service contracts.
Communications, Information technologies and management	There will be increased dependence upon automation, along with greater productivity, efficiencies, and improved recordkeeping. Telephone systems will carry digital transmissions; communications linkages will be established between facilities and computer networks.	All government facilities	Facilities; Information Systems and Telecommunications Procurement	Building designs and renovations to accommodate future communications and automation requirements.
Geographical Mapping System	All government agencies will have access to computerized map base and area data. County system will be implemented during the six-year planning period.		Consumer Affairs All planning offices	Procurement processes for cost-effective systems acquisition and maintenance. Consumer protections within computer sales and service industry. Coordination and control of databases, access, security.
Government center parking and commuting.	Development and increased activity in Rockville and other government centers will limit space available for parking, facilities expansion.	Government Center	Public information, Libraries, public facilities Facilities, Transportation	Home access to a wide scope of information via computers, cable TV; use of CATV by citizen groups and government. Coordination between County, City, State agencies regarding parking, transportation alternatives, space needs.

APPENDIX A (continued)

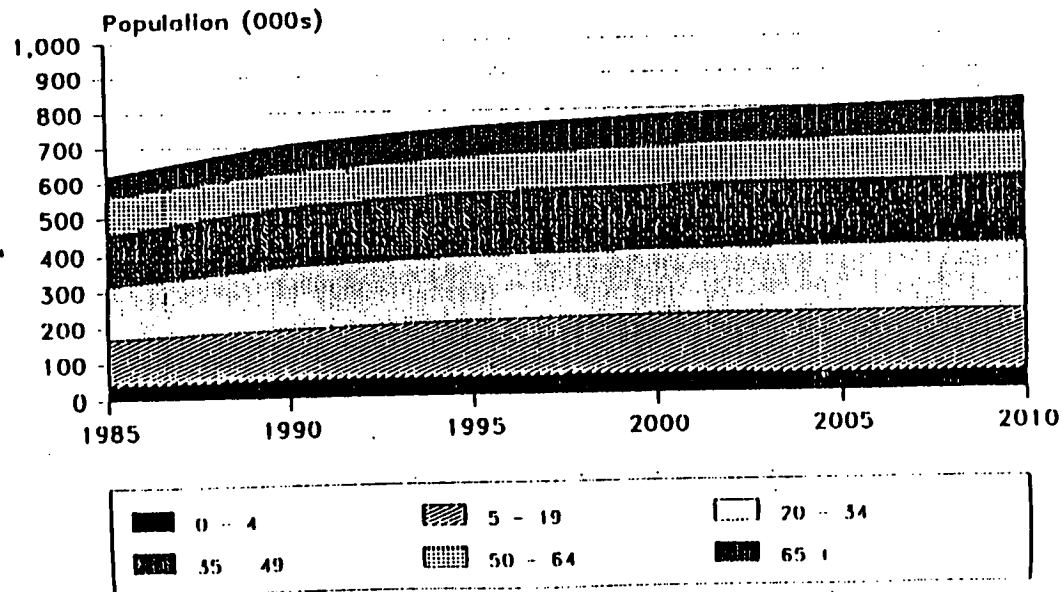
<u>TREND ELEMENTS</u>	<u>PLANNING ASSUMPTION(S)</u>	<u>GEOGRAPHIC IMPACT AREAS</u>	<u>PROGRAM IMPACT AREAS</u>	<u>PUBLIC SERVICES PROGRAM IMPACTS</u>
Age of facilities	Increased levels of renovation and maintenance will be required as County facilities age.	Primarily downCounty, mid-County	Capital programs; Facilities Mgt & Budget Fire, Police, other service delivery points	Functional planning for scheduling of building renovations. Replacement, renovation of older facilities; possible relocation of programs or services. Government expenditures required for renovations/replacement of obsolete facilities and equipment. Relocation or renovation of older fire stations, other facilities when realigning service areas.
County development and planning process	Annual Growth Policy will have a continuing importance for control over the interactions and effects of both residential and commercial development.	County-wide	Planning Program, Budget, Transportation, Economic and Community Develop.	Resources will be required for increasingly detailed and critical analysis of the costs and benefits of County development relative to needs for housing, jobs, infrastructure.
Energy usage	Higher near-term utility costs are anticipated because of higher oil prices and utility rate increases. Government vehicle procurement will continue to stress fuel economy. Building designs will include energy conservation, monitoring, controls.		Budget, Finance, Facilities, Transportation	Energy conservation actions will result in initially increased building costs, recovered over time in decreased energy expenditures.
Countywide needs for program/service delivery; Government Service Centers	New areas of population concentrations will be considered for government service centers and other locations to meet essential needs and provide convenient access. New service delivery locations generate added interest in and use of available programs and services by wider groups of County residents.		Libraries, Recreation Health and Human Facilities and all departments	Initiatives may include consideration of small vehicle Bookmobiles, kiosks or similar, ideas for additional access to library services. All new facilities need to be considered for potential multiple uses, with new emphasis on detailed identification of program requirements at their planning/design phase.
Increasing ethnic and language minority populations	Effective government communication with, and planning for service delivery to cultural/language minorities will be essential to ensure orderly assimilation into a harmonious community.		All, with particular impact on Facilities, Government Service Centers, Education, Personnel, Human services delivery	Procedural, regulatory, consumer, and program information in languages other than English. several different languages. Demographic data through client intake, census, surveys, service record-keeping. Adult education programs geared to needs of new immigrants. Government recruitment of ethnic minorities and multi-lingual employees.

APPENDIX A (continued)

<u>TREND ELEMENTS</u>	<u>PLANNING ASSUMPTION(S)</u>	<u>GEOGRAPHIC IMPACT AREAS</u>	<u>PROGRAM IMPACT AREAS</u>	<u>PUBLIC SERVICES PROGRAM IMPACTS</u>
<u>INTERGOVERNMENTAL</u>				
Federal-State funding shifts	Federal funding of housing programs, CDBG, and Metrorail will be subject to deficit concerns and other revenue pressures.		Housing Mass Transit	Plan initiatives to mitigate effects on County programs or population dependent on Federal program funding.
State-Local funding shifts	Efforts to change State aid allocation formulas may be expected, with funding formulas failing to recognize the County's large contributions to State revenues, in addition to the higher costs of living (and government) in the Washington, D.C. area.		State-Wide Education, Transportation	Maintain advocacy for equitable shares of State funding support for local schools, roads, other transportation and infrastructure needs.

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MONTGOMERY COUNTY GROWING UP INTO THE NEXT CENTURY



Source: County Executive Recommended FY90 Budget and Public Services Program,
Fiscal Years 1990-1995
Montgomery County Government, March 1989

